Northern Plain Planning Area Initiative Evaluation

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June 2006

Northern Plain Planning Area
Initiative Evaluation

City of Fremont
Community Development Department
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1.0 INTRODUCTION

The City of Fremont has been served with a Notice of Intent to Circulate Petition for the purposes of placing on the November 7, 2006, General Election ballot an initiative, named the "Protect Coyote Hills Natural Area Initiative" (Initiative). The stated intent of the Initiative is to protect and preserve an approximately 520-acre portion of the City's Northern Plain Planning Area. If adopted, the Initiative would limit development in this portion of Fremont to agriculture, outdoor recreation and very low density residential uses. Per State of California Elections Code Section 9212, the City has prepared this evaluation of the impacts the Initiative may have on the City.

The area covered by the proposed Initiative ("Initiative Area") is comprised of two private landholdings, the Patterson Ranch property and the Cargill Salt property. The Patterson Ranch property contains seven parcels totaling approximately 428 acres of land; the Cargill Salt property is comprised of a single parcel, approximately 92 acres in size.

METHODOLOGY AND ORGANIZATION

Four different development scenarios have been considered in this evaluation: 1) buildout under the existing General Plan and Zoning Ordinance; 2) buildout under the Initiative, preserving the land for agriculture and associated farm buildings; 3) buildout under the Initiative, allowing the maximum development permitted through density transfer/bonuses and substantial land donations, and; 4) buildout under a development proposed by the Patterson Ranch property owners. These development scenarios are further defined and graphically represented in **Chapter 2** of this document.

The City and its subconsultants have devised a methodology to evaluate the issues considered most likely to be affected by adoption of the Initiative. Specifically, this evaluation considers as issue areas: consistency with the City's General Plan and Zoning Ordinance, including consistency with the Housing Element and regional housing demand; visual impacts; compatibility with surrounding land uses; biological resources; circulation and traffic congestion; and air quality. The analysis also considers the Initiative's impact on the City's fiscal revenues and expenses, and its effects on the ability to provide public services such as police, fire, educational services and recreational facilities. Each of these issue areas is evaluated in **Chapter 3** of this document.

Each issue area evaluation contains four separate parts: 1) A brief description of the existing conditions (which provide a baseline for consideration of the impacts); 2) An outline of the methodology used to evaluate impacts; 3) A discussion of the likely impacts of each development scenario; and 4) A summary table that presents a side-by-side comparison of these impacts.

Chapter 4 presents the references for this document and lists the preparers of the analysis.

BACKGROUND AND SITE CONTEXT

The Initiative Area and its surroundings, including the Coyote Hills Regional Park and the nearby Ardenwood Historic Farm, were originally purchased in 1856 by the Patterson family, who farmed the

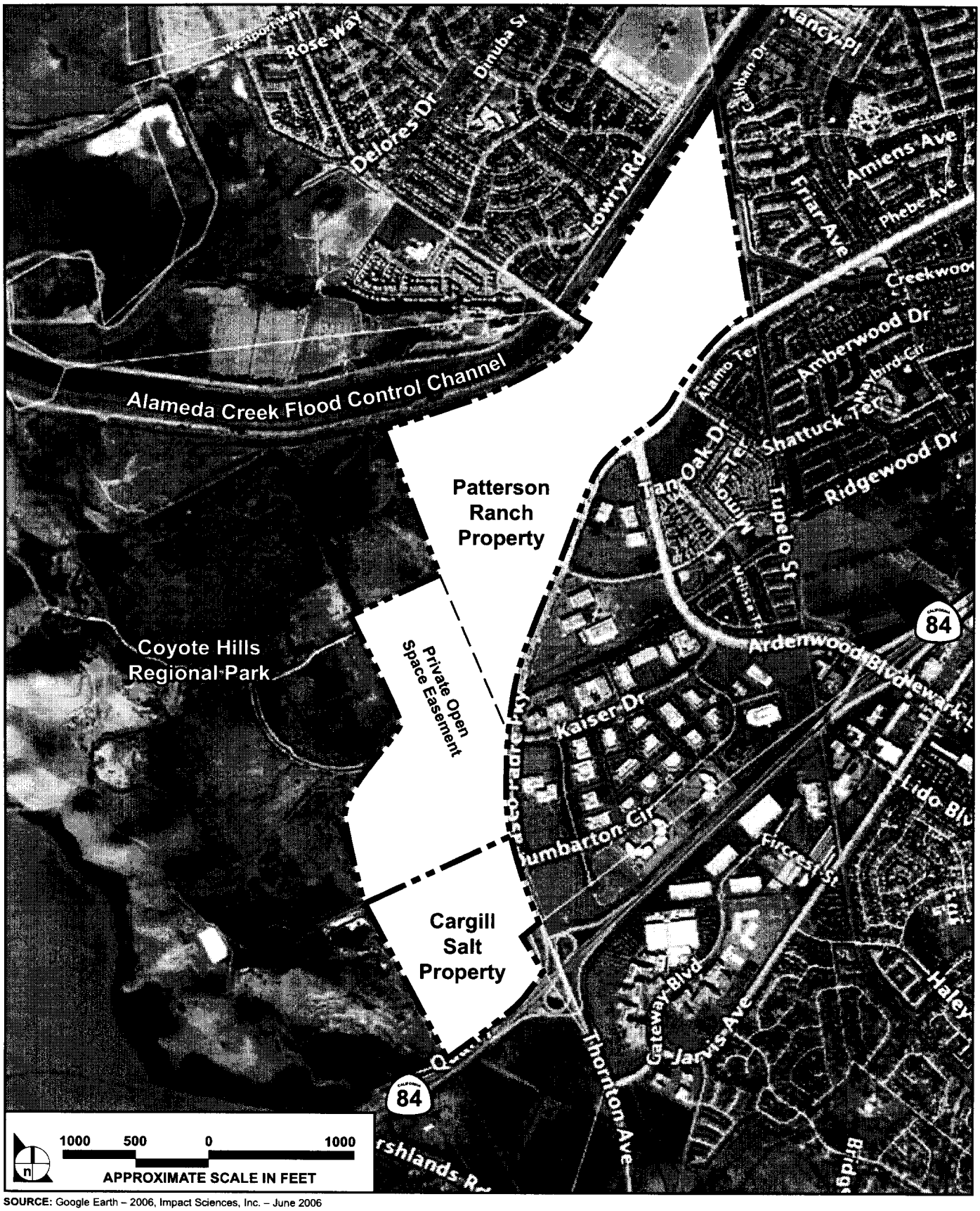
area. The area around the farm developed over the next 150 years, leaving the Initiative Area and Coyote Hills Regional Park as an undeveloped island of land surrounded by the growing communities of Fremont, Union City and Newark. These communities, and the Bay Area as a whole, have experienced substantial and sustained population growth that has resulted in the conversion of large portions of the region's farmland. Development in the Initiative Area was originally envisioned in the City of Fremont's first General Plan (1956), and physical development of the Patterson property has been occurring since the mid-1970s. The Patterson family still owns some portions of the original landholding, only a small portion of which is still being farmed. The Cargill Salt property was used as a salt plant until the mid-1960, at which point commercial evaporative salt processing was halted.

SITE LOCATION

The Initiative Area is located in the incorporated area of the City of Fremont within the Northern Plain Planning Area. The area covered by the Initiative is defined in Section 5 of the Initiative as "bounded on the north by the Alameda Creek Flood Control Channel, on the east and southeast by the Southern Pacific [Union Pacific] Railroad and Paseo Padre Parkway, on the south by State Route 84 and on the west by the Dumbarton Associates Quarry and the Coyote Hills Regional Park." Along the western boundary of the Initiative Area, between a portion of the Patterson Ranch property and a portion of the Coyote Hills Regional Park, there is a rectangular parcel of land owned by the Alameda County Flood Control District and managed by the East Bay Regional Parks District (EBRPD). Because this is public land being managed for public benefit, it is not expected that the Initiative is intended to apply to this parcel, and the remainder of this analysis will treat that parcel as protected land that is part of Coyote Hills Regional Park. In the vicinity of the Initiative Area, land uses include residential to the east, residential and office, research and development uses to the south, Coyote Hills Regional Park and Dumbarton Quarry to the west, and residential uses in the City of Union City to the north. **Figure 1-1** shows the approximate boundaries of the Initiative Area, and the property line that divides the Patterson Ranch and Cargill Salt properties.

LAND DEVELOPMENT CONSTRAINTS

Land development constraints in the Initiative Area include protected wetlands and easements. A wetland delineation undertaken in 2004 for the Patterson Ranch property owners concluded that there are approximately 87.3 acres of jurisdictional wetlands and other jurisdictional riparian areas on the site. There has been no formal calculation of the extent of the wetlands on the Cargill Salt property, but the City and the property owner estimate that about 50 percent of the property is constrained from development by the presence of sensitive wetlands. At the southern end of the Patterson Ranch property, there is an open space easement on a 141-acre portion of the property that maintains this land in agricultural and open space uses (see **Figure 1-1**). Other non-developable areas in the Initiative Area include the right-of-ways for Ardenwood Boulevard and Patterson Ranch Road, several drainage and irrigation swales, and a PG&E easement, all of which cross the Patterson Ranch portion of Initiative Area.



SOURCE: Google Earth – 2006, Impact Sciences, Inc. – June 2006

FIGURE **1-1**

Initiative Area Location and Boundaries

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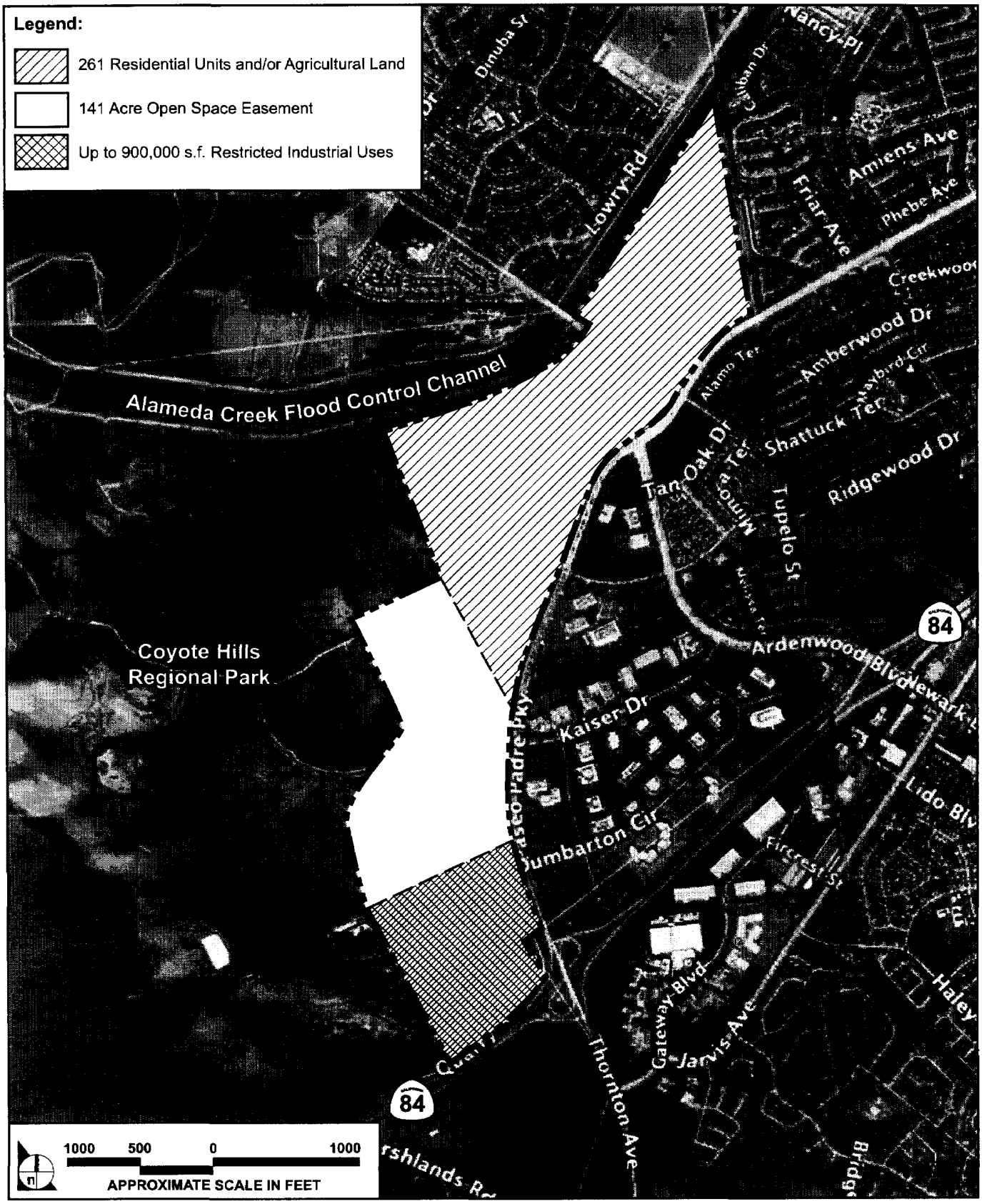
2.1 SCENARIO 1: GENERAL PLAN AND ZONING BUILDOUT

This development scenario represents the development that would be allowed in the Initiative Area under the City's 1991 General Plan and its amendments, and the City's Zoning Ordinance. The current General Plan land use designation of the Patterson Ranch portion of the Initiative Area is Open Space, and the property is zoned Agricultural. This designation and the zoning allow low-density residential development of up to 261 units, except on a 141-acre open space easement located on the southern end of the Patterson Ranch property, where only five agricultural dwelling units would be permitted. The Cargill Salt property General Plan designation and zoning is Restricted Industrial, which permits research and development activities as well as light industrial, warehousing and shipping uses. Under this scenario, the majority of the Patterson Ranch property could be developed with either low-density residential or as agricultural land. The Cargill Salt property would be developed as restricted industrial space. **Table 2.1** shows the maximum development that would be permitted in the Initiative Area under the existing land use provisions in the General Plan and Zoning Ordinance. **Figure 2-1** shows a conceptual plan of the allowable development on the Area under this scenario.

Table 2.1 Scenario 1: Development Allowed by General Plan and Zoning Buildout

Land Use	Projected Development
Private Land Uses	
Urban Reserve/Open Space (Agriculture is the primary permitted use)	A minimum of 141 acres in the existing open space easement on the Patterson Ranch property. Potential to farm majority of Patterson Ranch property (excluding wetlands constrained from development)
Industrial Development	Up to 900,000 square feet restricted industrial permitted on Cargill Salt property*
Residential Development	266 total dwelling units - Up to 261 dwelling units on the Patterson Ranch property, assuming conversion of non-constrained agricultural lands to low-density residential. Up to five farmhouses on the lands protected by an open space easement
Community Serving Retail	None
Public Facilities	
Schools	None
Spiritual Facilities	None
Recreational Facilities	
Public Open Space	None
Trails	Trails or sidewalks along Ardenwood Boulevard, Patterson Ranch Road, and the Alameda Creek Flood Control Channel
Private Open Space	The 141-acre open space easement would remain in place on the southwest portion of the Patterson Ranch property. Additional private open space if more if the Initiative Area were farmed
Constrained Lands	
Wetland/Patterson Slough	84.4 acres on Patterson Ranch property, 46 acres on Cargill Ranch
Other Riparian	2.9 acres on Patterson Ranch property

** Based on information provided by Cargill Company and the City of Freemont. Assumes development rights of constrained lands would be transferred to developable portions*



SOURCE: Google Earth – 2006, Impact Sciences, Inc. – June 2006

FIGURE **2-1**

Scenario 1: General Plan and Zoning Buildout Scenario

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2.2 DEVELOPMENT ALLOWED BY THE PROPOSED INITIATIVE

Adoption of the Initiative would add amend the General Plan by adding Initiative sections 1, 4 through 19 and 24 to the General Plan. The General Plan land use map and zoning map would be revised such that parcels within the Initiative Area currently designated on the land use map as "Open Space 0.25-1 unit/acre – Study Area 12/Urban Reserve" and "Restricted Industrial" would be changed to an "Agricultural" designation and zoning.

The Initiative proposes agricultural use of the majority of the Initiative Area with some associated residential and agricultural-related structures. Minimum new parcel size allowed under the Initiative is 80 acres. There is a mechanism in Section 12 of the Initiative that allows density bonuses and permits smaller parcels if certain prioritized lands are donated for public purpose, or if all development rights are relinquished on those lands. Therefore, two development scenarios are identified for the Initiative, one that represents agricultural use of the area, and one that represents the maximum development achievable through the density bonus mechanism.

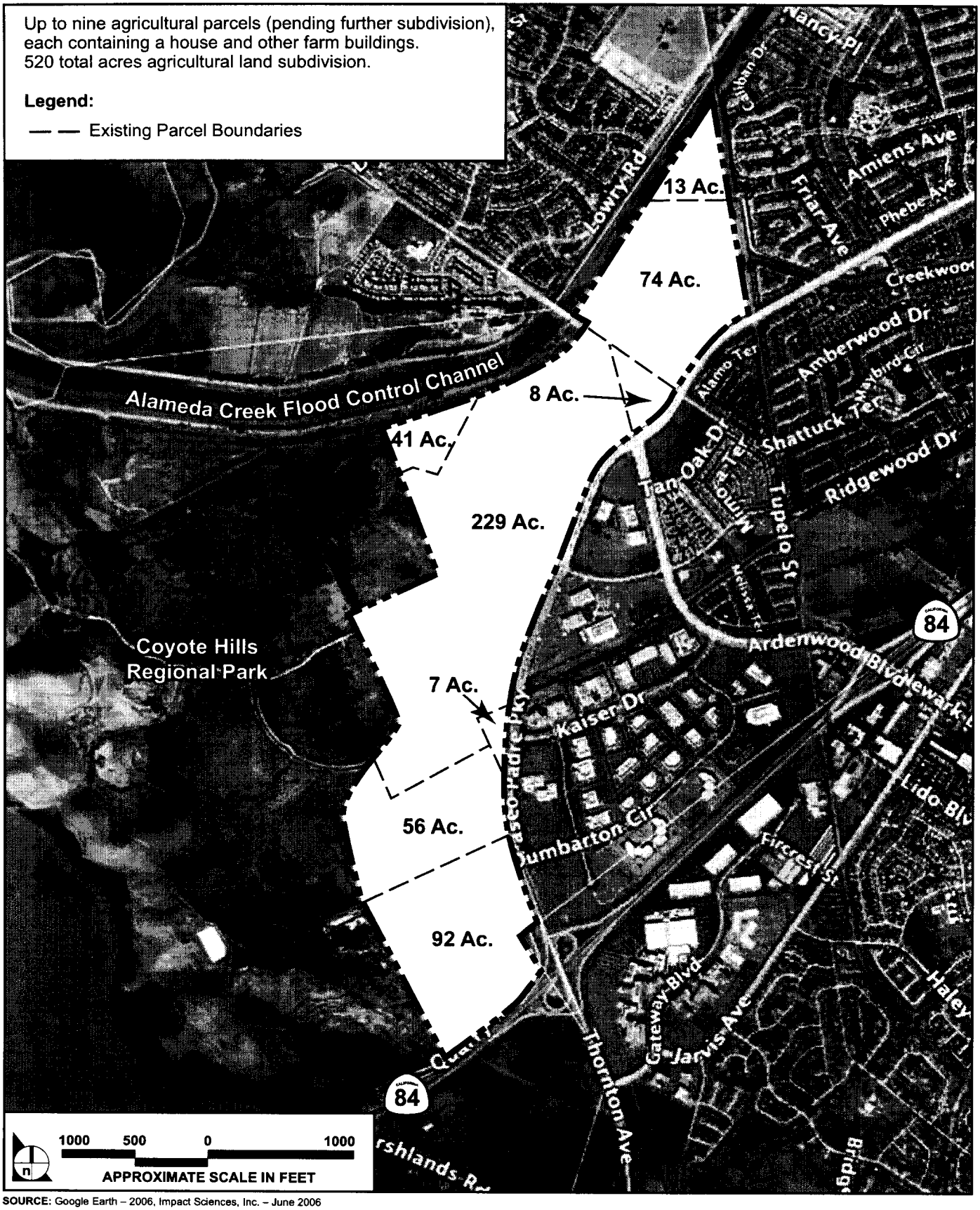
2.2.1 SCENARIO 2: INITIATIVE ESTATE RESIDENTIAL/FARMLAND OPTION

Scenario 2 represents the lowest-density of development in the Initiative Area wherein the entire 520 acres would be used for agriculture, with no donations of land or density bonuses. Initiative guidelines would permit the subdivision of the Initiative Area into nine parcels, with eight on the Patterson Ranch property, one on the Cargill Salt property. Each parcel could be built with one or more buildings, with combined floor area for all buildings limited to one percent of the parcel's area or 20,000 square feet, whichever is less. However, each parcel is allowed at least 10,000 square feet of combined development. The Initiative would allow for the construction of large estate residential buildings, or for farm building complexes including a residential unit, housing for agricultural workers, and associated agricultural buildings.

Six of the seven existing parcels on the Patterson Ranch property are smaller than the 80-acre minimum parcel size specified in the Initiative. On these parcels, existing parcel boundaries would be grandfathered and would not change. Each of these six parcels would be developed as an independent estate or farm. The seventh parcel, a 229-acre parcel in the center of the Patterson Ranch property, could be subdivided into two parcels. Provisions in the 141-acre open space easement on the Patterson Ranch property (which presently permits the development of five farmhouses) would now be subject to the 80-acre minimum parcel size, thereby reducing the development potential of this land. The 92-acre Cargill Salt property would not be subdivided, and aside from the ability to build estate residential units or farm building complexes, the owners would lose all other development rights. **Table 2.2** provides a breakdown of the land uses under Scenario 2. **Figure 2-2** shows a conceptual plan of the allowable development on the property under Scenario 2.

Table 2.2 Scenario 2: Development Under Initiative Estate Residentail/Farmland Option

Land Use	Projected Development
Private Land Uses	
Agricultural Land	9 parcels of agricultural land totaling up to 520 acres
Industrial Development	None
Residential Development	9 estate residences or farm building complexes including houses, agricultural buildings and associated agriculture worker housing.
Community Serving Retail	None
Public Facilities	
Schools	None
Spiritual Facilities	None
Recreational Facilities	
Public Open Space	None
Trails	None
Private Open Space	None
Constrained Lands	
Wetland / Patterson Slough	84.4 acres on Patterson Ranch property, 46 acres on Cargill Ranch
Other Riparian	2.9 acres on Patterson Ranch property



SOURCE: Google Earth – 2006, Impact Sciences, Inc. – June 2006

FIGURE 2-2

Scenario 2: Initiative Estate Residential/Farmland Option

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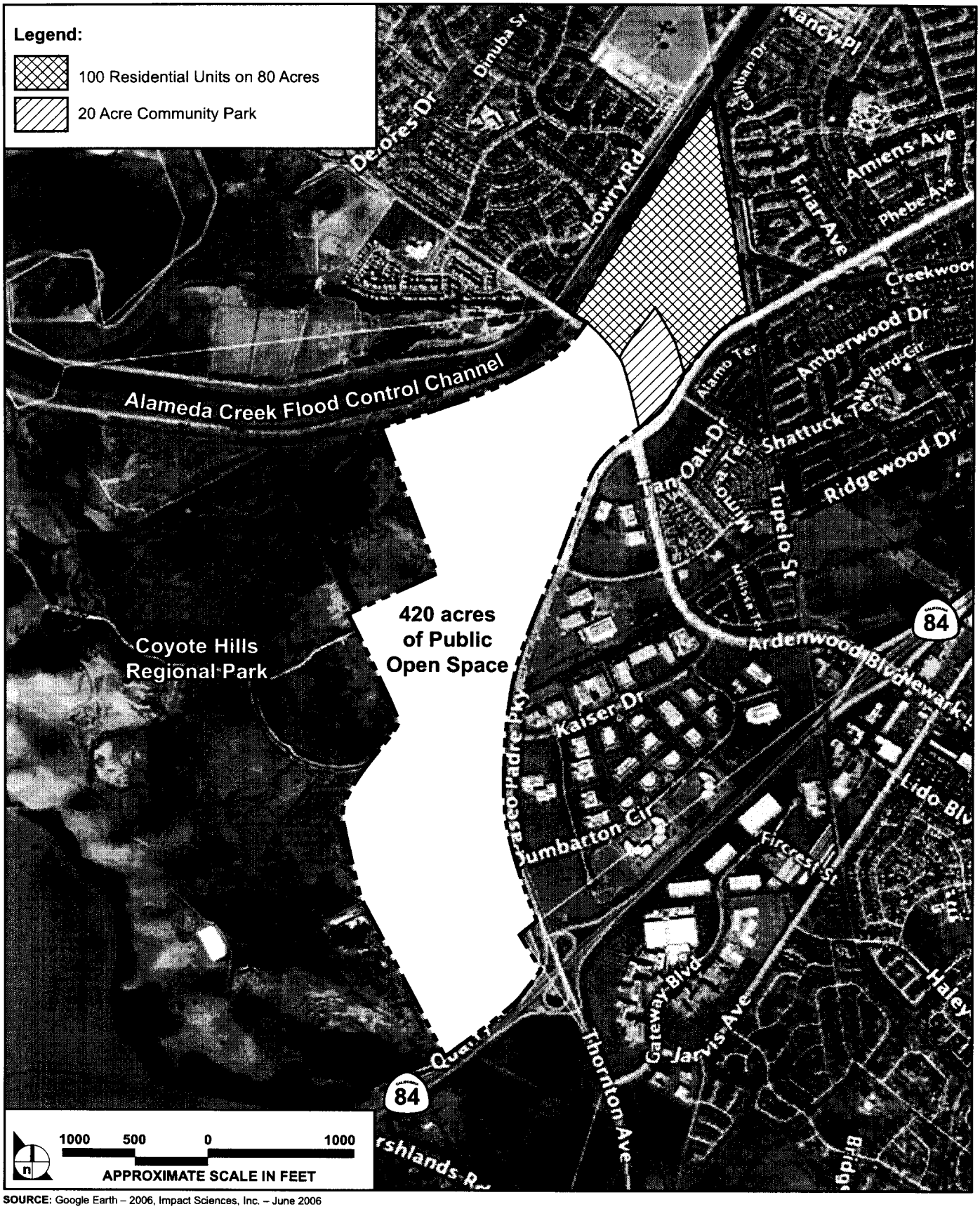
2.2.2 SCENARIO 3: INITIATIVE RESIDENTIAL OPTION

This scenario represents the maximum development permitted under the Initiative, using the density bonuses identified in Section 12 of the Initiative. These density bonuses permit the development of up to 100 residential units in an 80-acre area east of Ardenwood Boulevard, at a net density of approximately one residential unit per each 0.80 acre. A 20-acre community park would also be included in this area. The remaining area (420 acres) would become public open space. This clustering of development would be possible under the following conditions: 1) the 187-acre area west of Ardenwood Boulevard is donated and all development rights transferred; 2) the 141-acre area currently covered by the open space easement is donated, 3) the 92-acre Cargill Salt property is donated and all development rights abandoned; and 4) a 20-acre or larger Citywide park is donated and built in the northeast portion of the intersection of Ardenwood Boulevard and Paseo Padre Parkway. Under this scenario, the owners of Cargill Salt property would forego any development rights. The Initiative does not specify the agency that would be the recipient of the donated land. For the purposes of this evaluation, it has been assumed that the 420 acres west of Ardenwood would be donated to the East Bay Regional Park District (EBRPD) and the 20-acre park east of Ardenwood would be donated to and maintained by the City. **Table 2.3** shows the maximum development that would be permitted on the site under Scenario 3. **Figure 2-3** shows a conceptual plan of the allowable development on the property under Scenario 3.

Table 2.3 Scenario 3: Development Under Initiative Residential Option

Land Use	Projected Development
Private Land Uses	
Agricultural Land	None
Industrial Development	None
Residential Development	100 dwelling units on 80-acre area to the east side Ardenwood Boulevard
Community Serving Retail	None
Public Facilities	
Schools	None
Spiritual Facilities	None
Recreational Facilities	
Public Open Space	420 acres of public open space west of Ardenwood Boulevard. A 20-acre community park in the northeast corner of the intersection of Ardenwood Boulevard and Paseo Padre Parkway.
Trails	Any incorporated into donated land or the community park
Private Open Space	None
Constrained Lands (included as part of Public Open Space)	
Wetland/Patterson Slough	84.4 acres on Patterson Ranch property, 46 acres on Cargill Ranch
Other Riparian	2.9 acres on Patterson Ranch property



SOURCE: Google Earth – 2006, Impact Sciences, Inc. – June 2006

FIGURE **2-3**

Scenario 3: Initiative Residential Option

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2.3 SCENARIO 4: PATTERSON RANCH PROPOSAL

This development scenario represents development of the Initiative Area as proposed by the Patterson Ranch property owners. Under this scenario, approximately 131 acres of the 428-acre Patterson Ranch property would be developed with a mixture of residential units, commercial space, and an elementary school and church site. The majority of the Patterson Ranch property (246 acres) would be donated to the East Bay Regional Park District (EBRPD) and an additional 51 acres would be developed as community and neighborhood parks. In total, approximately 297 acres of the 428-acre Patterson Ranch property (69%) would be preserved as open space or developed as public parkland.

The majority of the residential, commercial and institutional development would occur east of Ardenwood Boulevard, with two- and three-story residential units and townhomes along Paseo Padre Parkway east of Ardenwood Boulevard. The area west of Ardenwood Boulevard would be developed with some residential uses, but the majority would be developed as nature areas and parks, including the land donated to EBRPD. A small lake is also proposed to divide the residential area from the open space land donated for public use.

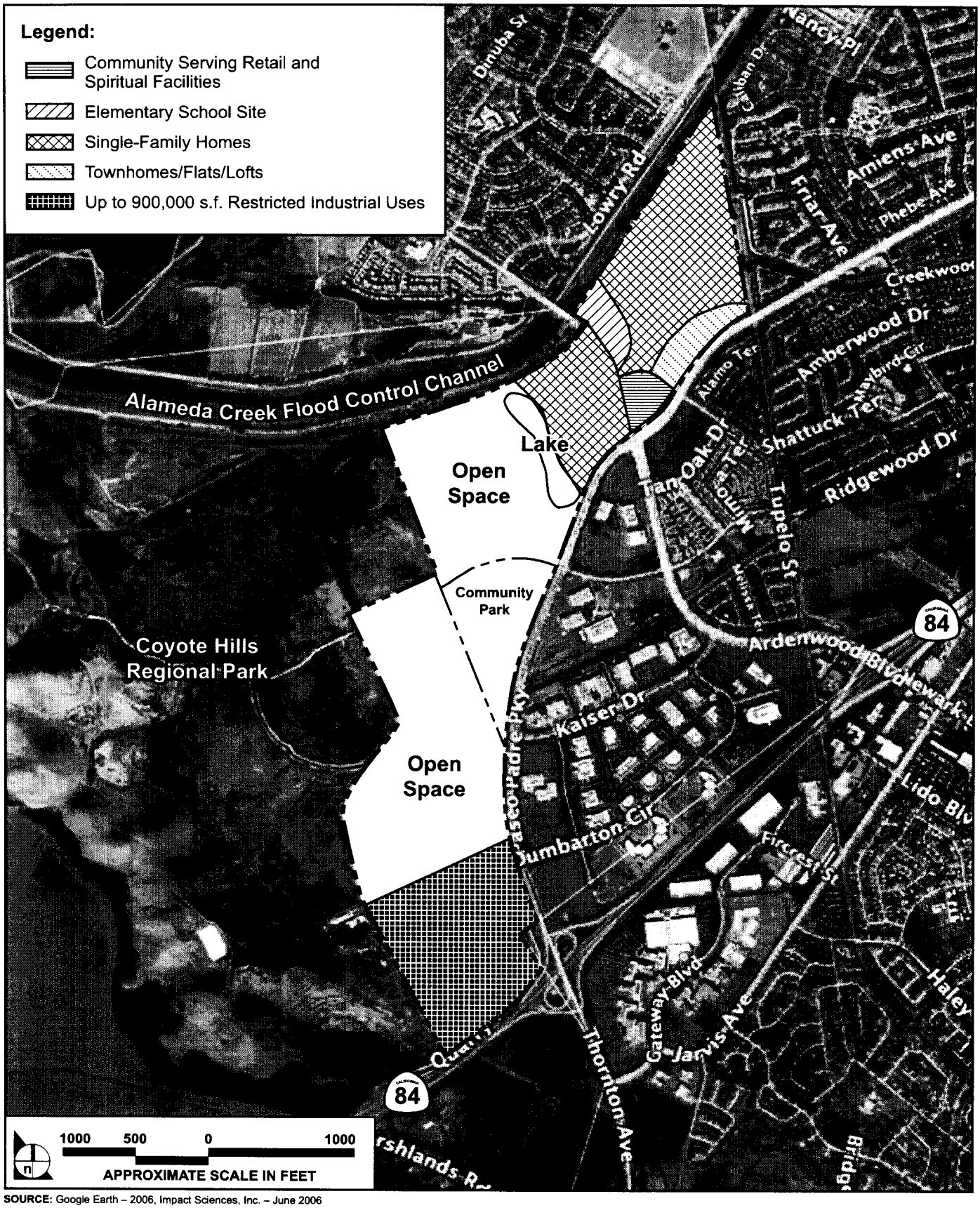
Under this scenario, the 92-acre Cargill Salt property could be developed with 900,000 square feet of restricted industrial land uses (i.e. Research & Development), as allowed by the General Plan and Zoning Ordinance. The wetlands on the Cargill site would not be developed.

Table 2.4 provides a breakdown of the uses that would be constructed in the Initiative Area under Scenario 4. **Figure 2-4** shows a conceptual plan of the proposed development under Scenario 4.

Table 2.4 Scenario 4: Development Under Patterson Ranch Proposal

Land Use	Projected Development
Private Land Uses	
Agricultural Land	None
Industrial Development	Up to 900,000 square feet restricted industrial permitted on Cargill Salt property*
Residential Development	800 dwelling units on 112.3 acres
Community Serving Retail	6.9 acres
Public Facilities	
Schools	8.6-acre elementary school site
Spiritual Facilities	3.2-acre spiritual facility site
Recreational Facilities	
Public Open Space	245.9 acres of open space donated to the EBRPD to augment the Coyote Hills Regional Park. 38-acre community park and 13.1 acres of other public parks. The addition of an 8-acre public lake
Trails	Trails, bio-swales and pedestrian bridge connecting to Bay Trail
Private Open Space	None. The existing 141-acre open space area protected by easement would be a portion of the land donated to the EBRPD.
Constrained Lands (included as part of Public Open Space)	
Wetland/Patterson Slough	84.4 acres on Patterson Ranch property, 46 acres on Cargill Salt Property
Other Riparian	2.9 acres on Patterson Ranch property

** Based on information provided by Cargill Company and the City of Fremont. Assumes development rights of constrained lands would be transferred to developable portions*



SOURCE: Google Earth – 2006, Impact Sciences, Inc. – June 2006

FIGURE 2-4

Scenario 4: Patterson Ranch Proposal

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3.0 COMPARATIVE ANALYSIS OF DEVELOPMENT SCENARIOS

INTRODUCTION

This chapter presents a comparative analysis of the effects that are likely to occur with implementation of each development scenario. The discussion is divided into different "issue areas," each of which begins with a brief description of existing conditions and a discussion of the methodology used to evaluate the potential effects. Each issue area section concludes with a summary table that compares the effects of each of the scenarios.

3.1 LAND USE COMPATIBILITY

This section discusses the physical compatibility of the four development scenarios on existing and planned residential and industrial land, agricultural lands, natural areas and public parks and open spaces. Current land uses in the Initiative Area include agriculture (Patterson Ranch property) and vacant land (Cargill Salt property). There are four abandoned agricultural-worker housing buildings on the Patterson Ranch property, as well as several farm equipment storage sheds. The Initiative Area is primarily an island of vacant and agricultural land that is somewhat incongruous with nearby land uses.

Single-family detached residential units at densities of 11-15 units per acre are located near the northeastern and northwestern portions of the Initiative Area. On the northeastern side of Ardenwood Boulevard, residences are separated from the Initiative Area by the Southern Pacific (Union Pacific) railroad right-of-way and sound walls that runs along the right-of-way. Along the northwestern side, houses are separated from the Patterson Ranch property by the riparian area and adjoining bicycle and running paths of the Alameda Creek Flood Control Channel.

Farther south along the western boundary, the natural area of the Coyote Hills Regional Park adjoins the Initiative Area. Much of the Initiative Area functions as an open space buffer for the Regional Park and provides a transition zone between the Regional Park and its developed surroundings. Along the western boundary, adjacent to the Cargill Salt property, are the Regional Park and a quarry operation. South of the Initiative Area, an industrial park is located on the south side of Highway 84. Industrial park offices and commercial space adjoin the Initiative Area along the eastern boundary.

Two entitled and approved projects are also adjacent to the Initiative Area. The first, Villa D'este, is a residential development of 243 multifamily and 33 single-family units at the southeast corner of Paseo Padre Parkway and Ardenwood Boulevard. The second involves filling and re-grading of the Dumbarton Quarry for its addition to Coyote Hills Regional Park in 2007. **Figure 3-1** illustrates the locations of the existing and planned land uses adjacent to the Initiative Area.

3.1.1 Scenario 1: General Plan and Zoning Buildout

Under this scenario, single-family homes could be built on the northern and central eastern portions of the Initiative Area, which would be compatible with the nearby single-family neighborhoods.

SOURCE: Google Earth – 2006, Impact Sciences, Inc. – June 2006

FIGURE 3-1

Existing and Planned Land Uses

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These new homes would, however, be separated from the existing neighborhoods by Alameda Creek, the railroad right-of-way and existing sound walls along the right-of-way. This physical separation would cause the new homes to function independently, rather than being integrated into the existing adjacent neighborhoods. The density of the homes in the Initiative Area would be less than that found in surrounding areas, though conceivably the homes could be larger. In the central-eastern portion of the Patterson Ranch property, the construction of low-density single-family homes would not be particularly compatible with the industrial park found across Paseo Padre Parkway.

Alternately, these portions of the Initiative Area could be farmed even more intensively, which could create conflicts with residential and commercial land uses from dust and agricultural sprays being blown toward nearby buildings, or from animal odors that residents or employees could find objectionable.

The existing open space easement in the southwestern portion of the Patterson Ranch property would continue to be farmed, which would provide an east-west undeveloped open space transition zone from developed areas to the Coyote Hills Regional Park. This open space buffer would be visually compatible with the Regional Park though visitors may consider the active farming of the area adjacent to the Regional Park incompatible because of odor and air quality issues.

On the Cargill Salt property, the development of restricted industrial land uses would be compatible with the industrial parks found south and east of the Initiative Area, but would be incompatible with the planned conversion of the quarry to regional park land. The development of the Cargill Salt property would reduce the amount of existing open space area presently separating existing development from the Regional Park.

3.1.2 Scenario 2: Initiative Estate Residential/Farmland Option

Under this scenario, up to nine parcels could be developed in the Initiative Area, ranging in size from 7 to 149 acres. A large-scale residential building (between 10,000 and 20,000 square feet) could be built on each parcel. This parcel size and scale of residential development is greatly out of scale with the smaller and higher density adjacent single-family neighborhoods.

The existing agricultural operations in the Initiative Area could be expanded as part of individual parcels so that they took place immediately adjacent to the quarry, the industrial park, and the Regional Park. This would enlarge the existing area of agricultural uses, so that agricultural production would occur nearer to existing residential and commercial land uses, and to Regional Park space. Although the agricultural land use would provide a visual open space buffer for users of the Regional Park, none of this space would be accessible to park visitors. Additionally, the farming operations could cause drifting animal and chemical odors, and soil particulates that some nearby employees and Regional Park visitors could find objectionable (see **Section 3.5** for additional discussions of air quality impacts under each scenario). While not immediately adjacent, the neighborhoods near the northern end of the Initiative Area could similarly be subject to effects from expanded agricultural uses. Taken as a whole, land uses under this scenario are therefore not considered to be compatible with other nearby existing and planned land uses.

3.1.3 Scenario 3: Initiative Residential Option

Under this development scenario, single-family homes could be built on the northern portion of the Initiative Area, east of Ardenwood Boulevard, which would be similar in scale to nearby single-family home neighborhoods, but would be at a substantially lower density. As with the General Plan buildout scenario, the physical separation of the new neighborhood from existing neighborhoods by Alameda Creek, the railroad right-of-way, and the existing sound walls would result in a concentration of homes in this area that would function as an independent neighborhood. Southwest of Ardenwood Boulevard, the remainder of the Patterson Ranch property and the entire Cargill Salt property would be donated as public open space, with all development rights relinquished. Land in this area presently in agricultural production could revert to a more natural state, which would serve as a transition zone between the new homes, existing industrial areas, and the Coyote Hills Regional Park. Land uses under this scenario would be compatible with surrounding land uses as housing development would be concentrated near existing development, though at a lower density, and the natural areas that characterize the Regional Park would be enlarged.

3.1.4 Scenario 4: Patterson Ranch Proposal

Under the Patterson Ranch proposal, development would be concentrated in the northern half of the Initiative Area, with donated open space on the southern half. Restricted industrial land uses would be permitted on the Cargill Salt property, in accordance with the existing zoning.

On the Patterson Ranch property, newly developed land uses would resemble a new town center, with residential units of varying densities surrounding a small commercial area, a school and community center site, and a spiritual facility site. The area would have several neighborhood parks and other public open spaces.

Single-family homes would be constructed near the single-family neighborhoods to the north, and between the proposed lake and the west side of Ardenwoood Boulevard. As with other residential scenarios, these homes would be physically separated from the existing neighborhoods. Multifamily homes and commercial development would be built in the area near the planned Villa D'este development, which would be primarily comprised of multifamily homes. While this scenario mixes different land uses and housing types, housing densities are not dissimilar to the densities found in surrounding areas. The resulting landscape would not be incompatible with adjacent areas as it would provide new parks, retail stores, school and spiritual facility sites that could be used by residents of surrounding neighborhoods. This mixture of uses is consistent with contemporary land use planning practices, which seek to mix uses to create central neighborhood services and gathering space, while conserving open space.

A 283-acre open space area (245 acres open space, 38-acre community park) would be located southwest of the proposed lake, extending to the northern boundary of the Cargill Salt property. Because this land would be donated and not farmed, the open space area could revert to natural habitat. This would preserve and enhance much of the existing open space transition zone between the Regional Park and surrounding development.

As with the General Plan buildout scenario, development of the Cargill Salt property as restricted industrial buildings would be compatible with the nearby industrial parks to the south and east, but would incompatible with the planned conversion of quarry and would further reduce the existing open space buffer/transition area separating existing commercial development from the Regional Park. When taken as a whole, development under Scenario 4 would be generally compatible with surrounding land uses as it would allow for residential development near existing residential areas, natural open space adjacent to the Regional Park, and commercial development near existing industrial parks.

3.1.5 Land Use Compatibility Summary

The construction of large low-density homes permitted under the General Plan and zoning (Scenario 1) would be out of scale and character with surrounding single-family neighborhoods and incompatible with the nearby office park and industrial uses. Agricultural land uses permitted under this scenario would be minimally compatible with surrounding residential and commercial development. The agricultural uses expanded under Scenario 2, and the allowed parcel and home sizes, would not be compatible with surrounding residential and commercial land uses. Scenario 3 is substantially compatible with existing and planned development surrounding the Initiative Area as it would concentrate residential units near existing and planned residential areas, and would set aside open space adjacent to existing and planned open space areas. The residential development allowed under this scenario would be of a lower density than that found in surrounding neighborhoods. Scenario 4 includes housing types and land uses that are not found in the surrounding area. However, it is moderately compatible with surrounding land uses, as it would provide housing at similar densities and urbanized public amenities near existing neighborhoods while allowing public open space adjacent to the Regional Park. **Table 3.1-1** presents a comparative summary of land use compatibility under each scenario.

Table 3.1-1 Land Use Compatibility Analysis: Summary Comparison of Scenarios

Development Scenario	Compatibility with Surrounding Existing and Planned Land Uses
Scenario 1: General Plan and Zoning Buildout	**Minimally Compatible**. The effects of dust, chemical use, and animal odors associated with agricultural production could be incompatible with the Regional Park, adjacent industrial parks and residential units. The potential for construction of dispersed, and potentially larger, low-density residential development would be incompatible with adjacent industrial park and nearby medium-density neighborhoods. Development of the Cargill Salt property would result in a reduction of the open space buffer zone in front of the Regional Park.
Scenario 2: Initiative Estate Residential/Farmland Option	**Not Compatible**. Parcel and home sizes would be out of scale with nearby single-family neighborhoods. The effects of dust, chemical use, and animal odors associated with agricultural production would result in likely incompatibility of land uses with the Regional Park, industrial parks and residential units.
Scenario 3: Initiative Residential Option	**Substantially Compatible**. Residential development would be concentrated east of Ardenwood, near other residential development. Public open space use west and south of Ardenwood adjoining the existing and planned expansion of the Regional Park.
Scenario 4: Patterson Ranch Proposal	**Moderately Compatible**. Development of new town neighborhood center would include different land uses and housing types than nearby residential uses, but would provide public amenities for these neighborhoods. Development of the Cargill Salt property would result in a reduction of open space buffer zone in front of the Regional Park.

Source: Impact Sciences, 2006

3.2 GENERAL PLAN CONSISTENCY - HOUSING NEEDS ASSESSMENT

This section evaluates the consistency of each development scenario with the adopted General Plan goals contained within the Land Use, Local Economy, Open Space and Public Facility elements (**Subsections 3.2-1 to 3.2-4**). The need for any changes to existing zoning resulting from the development scenarios is also identified. Additionally, this section considers the effect of each development scenario on the ability of the City to meet its current housing needs (**Subsection 3.2-5**), as established by the City's Housing Element in accordance with state law.

Fremont's General Plan was adopted in 1991 and has a planning horizon of 2010. Multiple elements of the Plan have since been amended, including a comprehensive update to the Housing Element, which was adopted in May 2003 and extends to June 2009. The Zoning Ordinance regulates the use and form of land development in the City towards implementing the goals and policies of the General Plan.

The Initiative Area is within the City's Northern Plain planning area, and has a land use designation of Open-Space Urban Preserve. According to the General Plan, this area can be considered for development once "the need and appropriateness of the uses can be demonstrated." (p. 3-17) Based on information in the City's 2003 General Plan Housing Element, development of this area would be an appropriate step towards meeting the City's housing needs. The housing need allocations represent the number of very low-, low-, moderate-, and above moderate-income housing units the City must accommodate within the Housing Element Planning Period. The City has already met its above moderate-income housing need, but has not met its affordable housing need.

3.2.1 Scenario 1: General Plan and Zoning Buildout

By definition, the development of the Initiative Area as allowed under the General Plan designation and zoning would be entirely consistent with the General Plan and with the Zoning Ordinance and could be built with up to 261 residential units, 5 farmhouses, and up to 900,000 square feet of Restricted Industrial land on the non-constrained portions of the Cargill Salt property. This amount of development would leave 141-acres of open space in the center of the Initiative Area that could continue to be farmed in addition to any open space on constrained lands on the Cargill Salt property.

3.2.2 Scenario 2: Initiative Estate Residential/Farmland Option

Under Scenario 2, the entire Initiative Area would be rezoned for estate residential or agriculture. Up to nine large single-family residences or farm complexes could be constructed, pending further subdivision of the largest existing parcel. No public space would be donated and no new public access would be permitted into the Initiative Area. As shown in **Table 3.2-1**, Initiative Scenario 2 is not consistent with the majority of the relevant goals of the General Plan because it does not provide substantial housing, public facilities, or opportunities for jobs or entertainment for City of Fremont residents. Additionally, land use conflicts from the expansion of agricultural uses may be detrimental to existing single-family neighborhoods.

Table 3.2-1 Scenario 2 Consistency with Fremont General Plan

Goal Number	Relevant General Plan Goal	Scenario Consistency
LU-1	New housing development while conserving the character of the City's existing single-family residential neighborhoods.	**Not Consistent.** The limitation to 9 units of residential agricultural development would not result in significant new housing development, and may create land use conflicts between new agricultural land uses and adjacent single-family neighborhoods.
LU-3	Sufficient industrial land to provide a diversified industrial base to meet the future employment needs of the City's present and future workforce.	**Not Consistent.** The Cargill Salt property could not be developed as Restricted Industrial land uses. The creation of new jobs would be limited to a small number of agricultural jobs.
LU-4	Conservation of the City's open space Resources.	**Consistent.** The protection of agricultural land would preserve some of the existing private open space areas in the City.
LE-1	Increased job opportunity in Fremont for Fremont residents.	**Not Consistent.** The Cargill Salt property could not be developed for Restricted Industrial land uses. The creation of new jobs would be limited to a small number of agricultural jobs.
LE-2	A strong municipal tax base.	**Not Consistent.** Agricultural uses of the Initiative Area would generate little property tax revenue. This issue is further discussed in **Section 3.7, Fiscal Analysis.**
LE-3	A hierarchy of well-defined, vital commercial areas meeting the retail shopping, entertainment and service needs of Fremont residents.	**Not Consistent.** No commercial, entertainment or service areas would be constructed in the Initiative Area.
LE-4	A diversified industrial employment base to meet the employment needs of the City.	**Potentially Not Consistent.** A limited number of agricultural jobs would be created.
OS-2	Recognition, protection, and enhancement of significant natural areas and wildlife habitats in the City, including Bay tidal, seasonal, and freshwater wetlands, and open meadows and fields.	**Potentially Not Consistent.** Existing wetlands would not be developed, but could be affected by the proximity of farming activities. No additional wildlife habitat for sensitive species would be created. For more information, see **Section 3.4, Biological Resources.**
OS-3	Urban open spaces to enhance community identity and the quality of the urban environment	**Consistent.** A 520-acre area of open space would be preserved as agricultural land.
PF-1	A range of public facilities and services to meet the health, safety, leisure, cultural, and general government needs of all Fremont residents	**Not Consistent.** No new public facilities would be developed.
PR-1	Parks and recreation areas to meet the community's needs.	**Not Consistent.** No new park area would be developed.

Source: Fremont General Plan, 1991; Impact Sciences, 2006.

3.2.3 Scenario 3: Initiative Residential Option

Under Scenario 3, the majority (420 acres) of the Initiative Area would be donated for public purpose, and rezoned accordingly. A 20-acre community park and 100 residential units would be built east of Ardenwood Boulevard. As shown in **Table 3.2-2**, this scenario is consistent with many of the General Plan goals, but is inconsistent with goals related to the provision of land for commercial purposes that would provide employment opportunities, public facilities and community retail and entertainment areas for City of Fremont residents.

Table 3.2-2 Scenario 3 Consistency with Fremont General Plan

Goal Number	Relevant General Plan Goal	Scenario Consistency
LU-1	New housing development while conserving the character of the City's existing single-family residential neighborhoods.	**Potentially Not Consistent.** 100 residential could be developed at a density lower than that of nearby single-family neighborhoods.
LU-3	Sufficient industrial land to provide a diversified industrial base to meet the future employment needs of the City's present and future workforce.	**Not Consistent.** The Cargill Salt property would be donated and could not be developed as Restricted Industrial land uses. No new jobs would be created in the Initiative Area.
LU-4	Conservation of the City's open space Resources.	**Consistent.** The addition of donated open space would preserve some existing undeveloped areas of the City.
LE-1	Increased job opportunity in Fremont for Fremont residents.	**Not Consistent.** No new jobs would be created in the Initiative Area.
LE-2	A strong municipal tax base.	**Not Consistent.** Limited property tax revenue would be generated. *See discussion in* **Section 3.7, Fiscal Analysis**
LE-3	A hierarchy of well-defined, vital commercial areas meeting the retail shopping, entertainment and service needs of Fremont residents.	**Not Consistent.** No commercial areas would be developed.
LE-4	A diversified industrial employment base to meet the employment needs of the City.	**Not Consistent.** No new jobs would be created in the Initiative Area.
OS-2	Recognition, protection, and enhancement of significant natural areas and wildlife habitats in the City, including Bay tidal, seasonal, and freshwater wetlands, and open meadows and fields.	**Consistent.** No wetlands on either property would be developed. Donation of open space could provide additional wildlife habitat. For more information refer to **Section 3.4, Biological Resources.**
OS-3	Urban open spaces to enhance community identity and the quality of the urban environment	**Consistent.** A 420-acre area of open space would be preserved as donated open space and a 20-acre park would be developed as part of the new neighborhood.
PF-1	A range of public facilities and services to meet the health, safety, leisure, cultural, and general government needs of all Fremont residents	**Potentially Not Consistent.** One 20-acre public park would be developed. No other services or facilities developed.
PR-1	Parks and recreation areas to meet the community's needs.	**Consistent.** One 20-acre public park would be developed, and 420 acres of donated open space would be preserved.

Source: Fremont General Plan, 1991; Impact Sciences, 2006.

3.2.4 Scenario 4: Patterson Ranch Proposal

Implementation of the Scenario 4 would require a rezoning of the Patterson Ranch property and a General Plan amendment. These changes would not affect the development potential of the Cargill Salt property, which under this scenario would be developed under the existing General Plan and Zoning provisions. As show in **Table 3.2-3**, this scenario is highly consistent with the majority of the General Plan goals, though development would be at a higher density and would incorporate a mixture of uses not incorporated into the existing adjacent developments.

Table 3.2-3 Patterson Ranch Proposal Consistency with Fremont General Plan

Goal Number	Relevant General Plan Goal	Scenario Consistency
LU-1	New housing development while conserving the character of the City's existing single-family residential neighborhoods.	**Consistent**. 800 residential units would be developed, incorporating a mixture of housing types. The majority would be single-family homes at a similar density to that found in adjacent neighborhoods. The character of nearby single-family neighborhoods is not expected to be adversely affected.
LU-3	Sufficient industrial land to provide a diversified industrial base to meet the future employment needs of the City's present and future workforce.	**Consistent**. The Cargill Salt property would be developed with up to 900,000 square feet of Restricted Industrial space, resulting in the creation of a substantial number of jobs.
LU-4	Conservation of the City's open space Resources.	**Consistent**. Approximately 350 acres of land on the Patterson Ranch property would be donated for public use to be preserved as open space or developed as public parkland.
LE-1	Increased job opportunity in Fremont for Fremont residents.	**Consistent**. A neighborhood commercial center would be constructed providing a limited number of retail positions. Additionally, industrial development of the Cargill Salt property would create a substantial number of jobs.
LE-2	A strong municipal tax base.	**Consistent**. Tax revenues would be highest under this scenario, due to the increased potential revenues from commercial and residential property taxes and from retail sales taxes. This issue is further discussed in **Section 3.7, Fiscal Analysis**.
LE-3	A hierarchy of well-defined, vital commercial areas meeting the retail shopping, entertainment and service needs of Fremont residents.	**Consistent**. 6.9 acres of community serving retail space would be constructed on the Patterson Ranch property.
LE-4	A diversified industrial employment base to meet the employment needs of the City.	**Consistent**. The Cargill Salt property would be developed with up to 900,000 square feet of Restricted Industrial space, resulting in the creation of a substantial number of jobs.
OS-2	Recognition, protection, and enhancement of significant natural areas and wildlife habitats in the City, including Bay tidal, seasonal, and freshwater wetlands, and open meadows and fields.	**Consistent**. Development would be concentrated in the less-sensitive northern portion of the Initiative Area. A new lake, enhanced wetlands and new public open space would provide additional wildlife habitat. For more information refer to Section 3.4, Biological Resources.
OS-3	Urban open spaces to enhance community identity and the quality of the urban environment	**Consistent**. Approximately 350 acres of land on the Patterson Ranch property would be donated for public use to be preserved as open space or developed as public parkland.
PF-1	A range of public facilities and services to meet the health, safety, leisure, cultural, and general government needs of all Fremont residents	**Consistent**. In addition to donated public open space and parks, this scenario would provide a school/community center site and a spiritual facility site.
PR-1	Parks and recreation areas to meet the community's needs.	**Consistent**. 245.9 acres of open space donated to the East Bay Regional Park District to augment the Coyote Hills Regional Park. 38-acre community park and 13.1 acres of other public parks. The addition of an 8-acre public lake.

Source: Fremont General Plan, 1991; Impact Sciences, 2006.

3.2.5 Housing Needs Assessment

This discussion summarizes Section F1, Housing Element, of the Fiscal Analysis Report prepared by Bay Area Economics that considers the ability of the development scenarios to meet the City's current housing needs. The full report, available in **Attachment A**, also considers the impact of each scenario on Fremont's Jobs/Housing Balance. The State of California mandates that each city accommodate its "fair share" of housing by adopting a state-certified Housing Element. Under state housing law, the City must identify sufficient land and opportunity sites to accommodate its allotted housing needs as determined by the state and allocated within the region by the Association of Bay Area Governments (ABAG). The housing need allocations represent the number of very low-, low-, moderate-, and above moderate-income housing units the City must accommodate within the Housing Element Planning Period. The City of Fremont certified Housing Element was adopted in May 2003 and extends to June 2009.

Fremont's Regional Housing Need Determination for the current Housing Element planning period (December, 2001 to June, 2009) indicates a need for 3,249 new housing units upon adoption of the City's Housing Element. Deducting units approved or in production, Fremont's remaining housing need is 2,537 units, all of which are affordable units (494 very low-income units, 350 low-income units, and 1,693 moderate-income units). (The City has already met its above moderate-income housing need.)

The City of Fremont's Housing Element identifies the Patterson Ranch parcels in the Initiative Area as part of its inventory of sites for affordable housing. Any reduction in the unit capacity within the Initiative Area would correspondingly reduce the City's ability to meet its current housing needs. While the development scenarios envisioned for the Initiative Area would primarily generate above moderate-income units, moderate-income units would be added under the City's inclusionary housing unit program, which requires 15 percent of all owner-occupied units to be affordable to moderate-income households. Thus, any residential development in the Initiative Area will contribute to meeting the City's moderate-income housing unit need, with the exception of Scenario 2, which would not require substantial subdivision and would not be subject to the City's inclusionary housing hunt program. **Table 3.2-4** compares the affordable moderate-income housing units provided under each scenario.

Table 3.2-4 Housing Unit and Affordable Housing Production

Development Scenario	Total Housing Units	Number of Affordable Housing Units (15% required)	Contribution to City's Affordable Housing Needs
Scenario 1: General Plan and Zoning Buildout	261	40	2%
Scenario 2: Initiative Estate Residential/Farmland Option	9	0	0%
Scenario 3: Initiative Residential Option	100	15	>1%
Scenario 4: Patterson Ranch Proposal	800	120	5%

Source: Impact Sciences, 2006

3.2.6 Summary of Scenario Consistency with General Plan Policies and Affordable Housing Needs

Scenario 1, General Plan and Zoning Buildout, would produce the number of affordable housing units projected for the site in the City's Housing Element. Scenario 2 would meet goals pertaining to open space, but would not meet goals related to the provision of substantial housing units and expanded employment opportunity. Scenario 2 would not provide any additional public open space and would provide minimal tax revenue, and would not contribute to meeting the affordable housing need. Similarly, Scenario 3 would provide public open space and recreation areas, but would not meet City goals related to entertainment, employment opportunity, or public facility goals, and would minimally contribute affordable housing units in the Initiative Area. Under Scenario 4 (Patterson Ranch proposal), affordable housing units could be provided in excess of that planned for the Initiative Area in the Housing Element. **Table 3.2-5** presents a comparative summary of scenario consistency with the General Plan and affordable housing needs identified in the Housing Element.

Table 3.2-5 General Plan and Housing Objective Analysis: Summary Comparison of Scenarios

Development Scenario	Impact Criteria	
	Inconsistency with General Plan and Zoning Ordinance	**Effects on City's ability to meet affordable housing unit production objectives**
Scenario 1: General Plan and Zoning Buildout	**None**. By definition, this scenario is entirely consistent with General Plan and zoning.	**None**. Would generate approximately 40 moderate-income units, which are already accounted for in the City's inventory of vacant and underutilized housing sites.
Scenario 2: Initiative Estate Residential/Farmland Option	**Substantial**. Consistent with open space goals. Not consistent with housing or job opportunity goals.	**Substantial**. Reduces affordable housing production capacity from 40 to one moderate-income unit.
Scenario 3: Initiative Residential Option	**Moderate**. Would achieve some housing and open space goals but would not provide job opportunities for Fremont residents.	**Moderate**. Reduces affordable housing production capacity from 40 to 15 moderate-income units.
Scenario 4: Patterson Ranch Proposal	**Minimal**. Would achieve the majority of the housing, job opportunity, open space and public facility goals.	**Beneficial**. Increases affordable housing production capacity from 40 to 120 moderate-income units.

Source: Impact Sciences, 2006

3.3 BIOLOGICAL RESOURCES

The following discussion provides background information to evaluate the effect on biological resources of the four development scenarios. To evaluate the biological resources known to occur or potentially occur on the Initiative Area, the most recent versions of the California Natural Diversity Data Base (CNDDB) were reviewed, as well as the biological reports previously prepared for the Patterson Ranch property (available for review at the City of Fremont). A field visit was conducted on June 7, 2006, to characterize the biological resources occurring in the Initiative Area and to evaluate the potential of special-status plant and wildlife species, as well as other sensitive biological resources, to occur.

General Site Characteristics and Plant Communities

Patterson Ranch Property

Patterson Ranch has been maintained in agricultural production for over 50 years and the entire site, excluding Patterson Slough and two flood control channels, has been farmed with the soil planted and tilled one or more times per year. Patterson Slough meanders in a northwesterly direction across the central portion of the property, and two flood control channels, the K-line and P-line, bisect the northern and southern portions of the property, respectively. The Alameda Creek Flood Control Channel is adjacent to the northwest boundary of the Initiative Area, but is separated by a paved bike path constructed on top of the upper eastern bank of the channel.

The Patterson Ranch property supports three habitat types, including agricultural, mixed riparian woodland, and aquatic freshwater emergent habitat. Agricultural fields occupy the vast majority of the property. These fields are regularly disked and are characterized by bare, disturbed soils, supporting little vegetation. The biological value of these fields is largely limited to foraging habitat for common mammals and for raptors and other bird species.

Mixed riparian woodland occurs along the banks of Patterson Slough, as well as within several isolated, remnant patches in the northern portion of the property. This habitat, as well as adjacent oak trees, has largely disappeared from the lower Alameda Creek area and provides foraging and breeding habitat for numerous migrant and resident bird species, including special-status species.

Aquatic/freshwater emergent habitat occurs within Patterson Slough and the P-line and K-line flood control channels. These areas contain stands of broad-leaved cattail (*Typha latifolia*) and bulrush (*Schoenoplectus acutus* var. *occidentalis*). This habitat type also occurs adjacent to the northwestern portion of the site within the Alameda Creek Flood Control Channel. These areas provide foraging and nesting habitat for numerous bird species and aquatic habitat for fish and amphibian species.

Cargill Salt Property

The Cargill Salt property was used for salt production until the 1960's. A dry channel (which was previously used to import bay water into the site) bisects the northern portion of the property. Plant species on the property represent a mixture of remnant tidal marsh species, freshwater wetland species, and upland species. Pickleweed (*Salicornia virginica*), a salt marsh associate plant species, occurs in varying densities throughout the property, with the highest densities within the drainage channel and the southern portions of the site. Annual grasses, including Italian ryegrass (*Lolium multiflorum*) and barley (*Hordeum marinum* ssp. *gussoneanum*) also occur throughout the property. Exposed soils are white from the salt pan that formed over much of the property.

Jurisdictional Wetlands and Sensitive Plant Communities

The jurisdictional delineation conducted by H.T. Harvey & Associates (2004) identified 84.39 acres of jurisdictional wetlands and 2.89 acres of "other waters" on the Patterson Ranch property. The results of

the delineation were verified by the Army Corps of Engineers on November 1, 2004, and are available at the City of Fremont. Of the 84.39 acres of jurisdictional wetlands, 73.63 acres occur in various agricultural fields across the site and 10.76 acres occur within Patterson Slough and the P-line channel. The establishment of wetland-associated plant species in the wetlands within the agricultural fields is limited by ongoing agricultural activities (e.g., disking) and in their current condition, these wetlands are considered of low biological value. The 2.89 acres of "other waters" occur within Patterson Slough and the P-line channel as areas of open water that are devoid of emergent vegetation. The riparian habitat associated with Patterson Slough is considered a sensitive plant community by the California Department of Fish and Game (CDFG) and, in addition to the slough itself, is under their jurisdiction pursuant to Section 1602 of the California Fish and Game Code. Based on guidance from the City, it is assumed that Patterson Slough (and associated riparian habitats) and other wetland habitats on the Patterson Ranch property would not be developed under any of the development scenarios.

No formal jurisdictional wetland delineation has been conducted on the Cargill Salt property. However, based on the presence of wetland-associated plant species, it is assumed that jurisdictional wetlands are present. For the purposes of this analysis, and based on guidance from the City, it is estimated that approximately 50 percent of the site is constrained from development by the presence of jurisdictional wetlands.

Special-Status Plant and Wildlife Species

Special-Status Plants

Based on the results of special-status plant surveys conducted by H.T. Harvey & Associates from 2000 to 2004, no special-status plant species were observed or are expected to occur on the Patterson Ranch property. Given the current condition of the Cargill Salt property, and the historic use of the site for salt production, the potential for special-status plant species to occur on the property is considered to be low.

Special-Status Wildlife Species

The CNDDB (occurrence # 118) includes a record from 1985 of saltmarsh harvest mouse (a federally and state-listed endangered species) on the Cargill Salt property. Given the presence of remnant patches of pickleweed vegetation (the primary habitat type of the species), there is potential that the species still occurs on this portion of the Initiative Area. To comply with the requirements of the state and federal Endangered Species Acts, if the species were to be found on the Cargill Salt property during development of any of the development scenarios, measures to avoid take of individual animals of this species and to mitigate for the loss of habitat would be required as part of future project-level environmental review.

While California red-legged frog (a federally-listed threatened species) was not detected on the Patterson Ranch property during focused surveys conducted by H.T. Harvey & Associates in 2000, given the presence of suitable habitat and the mobility of the species, the potential for this species to occur onsite within the P-line and K-line drainages (and adjacent to the site within the Alameda Creek Flood Control Channel) cannot be eliminated.

The Initiative Area provides suitable nesting and foraging habitat for several special-status bird species. Specifically, the riparian woodland and emergent wetland habitats provide suitable nesting habitat for white-tailed kite, Cooper's hawk, yellow warbler, northern harrier, saltmarsh common yellowthroat, Alameda song sparrow, and tricolored black bird. The CNDDB (occurrence # 183) includes a record from 1992 of burrowing owl on the Cargill Salt property and suitable habitat for the species is still present. Habitat for burrowing owl on the Patterson Ranch property is limited by ongoing disking (and the consequent elimination of ground squirrel burrows). Scattered shrubs throughout the Initiative Area provide suitable nesting habitat for loggerhead shrike. The abandoned farm structures on the Patterson Ranch property provide suitable roosting habitat for special-status bat species, such as pallid bat.

Based on the negative results of focused surveys conducted by H.T. Harvey & Associates or the absence of suitable habitat, the following federally-listed wildlife species are not expected to occur on the Patterson Ranch property: vernal pool fairy and tadpole shrimp, California clapper rail, salt marsh harvest mouse, and California tiger salamander.[1]

Wildlife Movement Corridors

Wildlife can currently move unrestricted throughout the Initiative Area and from the Initiative Area into Coyote Hills Regional Park. However, wildlife movement to the north, east, and south of the Initiative Area is constrained by existing development (including residential, industrial, heavily traveled roads, and Highway 84). Therefore, the Initiative Area is considered of limited value as a wildlife movement corridor and development under any scenario would not substantially interfere with an established wildlife movement corridor. This issue is not discussed further.

3.3.1 Scenario 1: General Plan and Zoning Buildout

Jurisdictional Wetlands and Sensitive Plant Communities: Under Scenario 1, the wetlands within the 141-acre private open space area would continue to be actively farmed and the establishment of wetland vegetation/habitat would continue to be limited by disking. Likewise, wetlands areas currently being farmed within other portions of the Patterson Ranch property could continue to be actively farmed and provide limited habitat value.

The development of up to 266 residential units could indirectly affect the wildlife habitat value of Patterson Slough and emergent wetland habitats within the Alameda Creek Flood Control Channel and the P-line and K-line channels. Specifically, unauthorized human entry into these sensitive habitats could result in the trampling of plants and the disturbance to wildlife (including nesting special-status bird species). Additionally, dogs and cats associated with these residential units could disturb wildlife occurring within these sensitive habitats.

Special-Status Species: This development scenario could result in the loss of up to 238 acres of wildlife habitat (including agricultural fields and former salt ponds), which primarily serves as foraging habitat for common mammals, raptors, and other bird species. Special-status wildlife species occurring or potentially occurring on the Patterson Ranch property are primarily associated with riparian habitats

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1 2001 (revised 2004), H.T. Harvey & Associates, *Patterson Ranch Biological Opportunities and Constraints Analysis.*

associated with Patterson Slough and with emergent wetland habitats occurring within the P-line and K-line channels; these habitat types would not be developed under any scenario. Development under this scenario could result in the direct loss or disturbance to active nests of special-status bird species and roosts of special-status bat species, though the loss of these biological resources could be avoided through implementation of preconstruction nesting/roosting surveys. Based on historic records and the presence of some suitable habitat, there is potential that saltmarsh harvest mouse occurs on the Cargill Salt property; development of the property could result in the loss of this species from the site.

3.3.2 Scenario 2: Initiative Estate Residential/Farmland Option

Jurisdictional Wetlands and Sensitive Plant Communities: Under the Estate Residential option, some agricultural could continue, however farming would not be anticipated on all parcels and disking would not necessarily continue. There could be some increases in human and domestic animals near sensitive habitats. Under the Farmland option, all the wetlands within existing agricultural fields would continue to be farmed and the establishment of wetland vegetation/habitat would continue to be limited by disking. Given the agricultural use of the site, there would not be a substantial increase in human and domestic animal (i.e., dogs and cats) presence near sensitive habitats.

Special-Status Species: Under this development scenario, a maximum of 20,000 sq. ft. of buildings (Estate Residential or Farmland related) could be developed on each of the nine parcels, along with associated landscaping around the buildings. Special-status wildlife species occurring or potentially occurring on the Patterson Ranch property are primarily associated with riparian habitats associated with Patterson Slough and with the emergent wetland habitats occurring within the P-line and K-line channels; these habitat types would not be developed under this scenario. Development permitted under this scenario could result in the direct loss or disturbance to active nests of special-status bird species and roosts of special-status bat species; the loss of these biological resources could be avoided through implementation of preconstruction nesting/roosting surveys. Based on historic records and the presence of some suitable habitat, there is potential that the saltmarsh harvest mouse occurs on the Cargill Salt property; the use of the property for residential or agricultural purposes could result in the loss of this species from the property.

3.3.3 Scenario 3: Initiative Residential Option

Jurisdictional Wetlands and Sensitive Plant Communities: Assuming under Scenario 3, that all of the jurisdictional wetlands (excluding 0.278 acre in the northern portion of the site) would be donated to a public entity, the jurisdictional wetlands would be the designated public open space area and would not be subject to regular disking (which currently occurs) or development. Cessation of the ongoing disking of the wetlands within agricultural fields would provide the opportunity for wetland vegetation to become reestablished and for these wetlands to return to a more natural condition. However, the proposed Initiative does not provide funding for an organized wetland restoration effort. Patterson Slough (and associated riparian habitat) and the P-line and K-line channels would not be developed.

Development would be limited to the northern portion of the Initiative Area, away from Patterson Slough and associated riparian habitat. Development of 100 residential units in this area would increase human and domestic animal presence near the Alameda Creek Flood Control channel. Given the extent of

existing residential neighborhoods relative to the number of residential units proposed, it is not expected that indirect effects associated with increased human and domestic animal presence would be substantial (relative to the other development scenarios). Depending on uses allowed within the proposed public open space area (which includes Patterson Slough), and measures taken to protect sensitive biological resources, increased human presence could adversely affect Patterson Slough and other sensitive habitats.

Special-Status Species: Under this development scenario, 100 acres of agricultural fields/wildlife habitat would be converted to a developed condition. The cessation of disking within the public open space area could increase the suitability of the habitat to support burrowing owl. Other special-status wildlife species occurring or potentially occurring on the Patterson Ranch property are primarily associated with riparian habitats associated with Patterson Slough and with the emergent wetland habitats occurring within the P-line and K-line channels; Patterson Slough and the P-line channel are within the public open space area and none of these habitats would be developed. Development under this scenario could result in the loss or disturbance to active nests of special-status bird species and roosts of special-status bat species; the loss of these biological resources could be avoided through implementation of preconstruction nesting/roosting surveys. Based on historic records and the presence of some suitable habitat, there is potential that the federally listed saltmarsh harvest mouse occurs on the Cargill Salt property; the use of the property as public open space is not likely to result in the loss of the species from the property.

3.3.4 Scenario 4: Patterson Ranch Proposal

Jurisdictional Wetlands and Sensitive Plant Communities: Under this development scenario, all of the jurisdictional wetlands (excluding 0.278 acre in the northern portion of the site) would be within the designated public open space area and would not be subject to regular disking (which currently occurs) or development. The cessation of the ongoing disking of the wetlands within agricultural fields would provide the opportunity for the reestablishment of wetland vegetation and for these wetlands to return to a more natural condition. Patterson Slough (and associated riparian habitat) and the P-line and K-line channels would not be developed. The proposed project includes the restoration and expansion of the riparian woodland associated with Patterson Slough. The proposed 8-acre lake would provide additional aquatic habitat on site. Development would be limited to the northern portion of the Initiative Area, away from Patterson Slough and associated riparian habitat. The development of 800 residential units in the northern portion of the Initiative Area would substantially increase human and domestic animal presence near the Alameda Creek Flood Control channel. Although unauthorized human and domestic animal (i.e., dogs and cats) entry into the creek and associated disturbances to wildlife (including nesting special-status bird species) likely already occurs, the development of these residential units could further exacerbate this occurrence. The proposed 8-acre lake would minimize the potential of domestic animals associated with the proposed residential units from entering the public open space (and Patterson Slough). Depending on measures taken to protect sensitive biological resources within the proposed open space, increased human presence could also adversely affect Patterson Slough and other sensitive habitats.

Special-Status Species: Under this development scenario, 228 acres of wildlife habitat (including agricultural fields and former salt ponds) would be converted to a developed condition, including the development of Cargill Salt property (50%) and the addition of 51 acres of programmed parks. The cessation of disking within the public open space area could increase the suitability of the habitat to support burrowing owl. Other special-status wildlife species occurring or potentially occurring on the Patterson Ranch property are primarily associated with riparian habitats associated with Patterson Slough and with the emergent wetland habitats occurring within the P-line and K-line channels; Patterson Slough and the P-line channel are within the public open space area and none of these habitats would be developed. Development authorized under this scenario could result in the direct loss or disturbance to active nests of special-status bird species and roosts of special-status bat species; the loss of these biological resources could be avoided through implementation of preconstruction nesting/roosting surveys. Based on historic records and the presence of some suitable habitat, there is potential that the federally listed saltmarsh harvest mouse occurs on the Cargill Salt property; development on the property could result in the loss of this species from the property.

3.3.5 Summary of Effects on Biological Resources

Scenario 1 would result in a relatively substantial loss of wildlife habitat (which primarily serves as foraging habitat) from direct development and from the indirect effects of development in proximity to sensitive habitats. Also, should the species occur, there could be a loss of saltmarsh harvest mouse associated with development on the Cargill Salt property. Scenario 2 would result in a minimal loss of wildlife habitat and minimal indirect effects from agricultural uses and limited development on sensitive habitats. Also, should the species occur, there could be a loss of saltmarsh harvest mouse associated with agricultural uses of the Cargill Salt property. Scenario 3 would result in a moderate loss of wildlife habitat and moderate indirect effects of development on sensitive habitats. This scenario would reduce the potential for loss of saltmarsh harvest mouse as the Cargill Salt property would not be developed or farmed. Additionally, the cessation of agricultural activities on the majority of the Initiative Area would benefit existing wetlands and could increase the wildlife value of the site. Scenario 4 would result in a relatively substantial loss wildlife habitat (which primarily serves as foraging habitat); the proposed pond would provide habitat for migratory birds and other wildlife. This scenario would also result in indirect impacts to sensitive habitats due to increased human and animal presence, but the proposed lake would provide a buffer between proposed development and Patterson Slough. Also, should the species occur, there could be a loss of saltmarsh harvest mouse associated with development on the Cargill Salt property. Additionally, the cessation of agricultural activities on the majority of the Initiative Area would benefit existing wetlands and could increase the wildlife value of the site. **Table 3.3-1** presents a comparative summary of impacts to biological resources under each scenario.

Table 3.3-1 Summary Comparison of Biological Impacts

Development Scenario	Impact Criteria			
	Loss of Agricultural Fields/Wildlife Habitat	Loss of Jurisdictional Resources	Loss of Sensitive Habitats	Loss of Special-Status Species
Scenario 1: General Plan and Zoning Buildout	**Substantial Loss.** 238-acres maximum development area.	**No Loss.** Wetlands preserved but subject to continued disking within agricultural fields.	**No Loss.** Riparian and emergent wetland habitat maintained. **Substantial Loss.** Indirect adverse effects to sensitive habitats due to increased human/animal presence associated with 238 acres of development with no buffer around sensitive habitats.	**Minimal Loss.** Potential loss of special-status bird nests and bat roosts. **Substantial Loss** (if present). Potential loss of saltmarsh harvest mouse on Cargill Salt property with industrial development.
Scenario 2: Initiative Estate Residential/Farmland Option	**Minimal Loss.** 4.1-acre maximum development area.	**No Loss.** Wetlands preserved but subject to continued disking within agricultural fields. **Moderate Gain.** Less potential for disking with Estate Residential option.	**No Loss.** Riparian and emergent wetland habitat maintained. **Minimal Loss.** Indirect adverse effects to sensitive habitats due to expansion of agricultural production and allowed development.	**Minimal Loss.** Potential loss of special-status bird nests and bat roosts. **Substantial Loss** (if present) Potential loss of saltmarsh harvest mouse on Cargill Salt property with agricultural activity.
Scenario 3: Initiative Residential Option	**Moderate Loss.** 100-acre maximum development area.	**No Loss.** Wetlands preserved. **Moderate Gain** Disking ceased and potential for wetland vegetation to reestablish.	**No Loss.** Riparian and emergent wetland habitat maintained. **Moderate Loss.** Indirect adverse effects to sensitive habitats due to increased human/animal presence associated with 100-acre development area and no buffer around sensitive habitats. Use of public open space could adversely affect Patterson Slough and associated sensitive habitats.	**Minimal Loss.** Potential loss of special-status bird nests and bat roosts. **Minimal Loss.** Low potential for loss of saltmarsh harvest mouse as Cargill Salt property would not be developed or used for agriculture. **Moderate Gain.** Cessation of disking could increase the suitability of the habitat within the public open space to support burrowing owl.
Scenario 4: Patterson Ranch Proposal	**Substantial Loss.** 228-acre maximum development area. **Moderate Gain.** Proposed lake would provide habitat for migratory birds and other wildlife.	**No Loss.** Wetlands preserved. **Moderate Gain.** Disking ceased and potential for wetland vegetation to reestablish.	**No Loss.** Riparian and emergent wetland habitat maintained. **Moderate Loss.** Indirect adverse affects to sensitive habitats limited to Alameda Creek Flood Control Channel (associated with 800 residential units). Proposed lake act as barrier to domestic animal entry into public open space and Patterson Slough. Use of public open space could adversely affect Patterson Slough and associated sensitive habitats. **Moderate Gain.** Riparian woodland associated with Patterson Slough would be restored and expanded.	**Minimal Loss.** Potential loss of special-status bird nests and bat roosts. **Substantial Loss** (if present) Potential loss of saltmarsh harvest mouse on Cargill Salt property with industrial development. **Moderate Gain.** Cessation of disking could increase the suitability of the habitat within the public open space to support burrowing owl.

Source: Impact Sciences, 2006

3.4 CIRCULATION AND TRAFFIC (DKS ASSOCIATES)

This section provides a summary of the traffic analysis prepared by DKS Associates evaluating the traffic effects of three development scenarios. The full traffic analysis is available as **Attachment B** of this report. For each of the studied scenarios a detailed quantitative analysis of local and regional roadway segments, trip generation, and vehicle miles traveled is provided in the traffic report and summarized here.

The development scenarios evaluated in the traffic analysis do not include an evaluation of Scenario 2, because it is not anticipated that the 9-units would generate substantial amounts of vehicle trips.

The analysis methodology follows standard traffic analysis procedures, which includes the following steps:

1. Prepare vehicle trip generation estimates for the four study scenarios. This task provided a comparison of the total number of daily and weekday peak hour vehicle trips that would be generated by each of the development scenarios.

2. Run City of Fremont Travel Forecast Model for each of the four scenarios for a cumulative future year condition. Using a trip generation estimate that includes the number of residents, jobs and employees in the area, the model was used to generate a forecast of changes in roadway link volumes, vehicle hours traveled, and vehicle speeds.

3. Calculate Metropolitan Transportation System (MTS) roadway service levels for each study scenario. Calculate changes in Vehicle Miles Traveled (VMT) for each study scenario, based on travel forecast model output. These measures were used to evaluate the potential impacts of each development scenario relative to one another.

4. Prepare comparison tables of the potential traffic impacts under each study scenario (trip generation, roadway levels of service, VMT).

5. Determine need for additional roadway or other transportation mitigation measures. This task identifies the need for transportation improvements, and provides a qualitative discussion of what the improvement measures may need to be.

Study Area Roadways

The Initiative Area is located in the incorporated area of the City of Fremont, within the Northern Plain Planning Area. The key regional and local access routes include:

Interstate-880 (I-880)

I-880 connects Fremont to much of the rest of the East Bay, extending from Oakland to San Jose. In the vicinity of its interchange with State Route-84/Decoto Road, it has four lanes in each direction and a high occupancy vehicle (HOV) lane. I-880 carries about 210,000 vehicles per day in this area, including about 13,500 vehicles each peak hour for both directions (Caltrans, 2005 Monitoring Report). Although previously reported to be LOS F by the Alameda County Congestion Management Agency, the segment of I-880 northbound from Decoto Road to Alvarado Niles Boulevard improved from LOS F to LOS D in 2004 (Alameda County Congestion Management Agency, 2004 LOS Monitoring Study).

State Route-84 (SR-84)

SR-84 extends from the Livermore Valley through Niles Canyon, connecting to Decoto Road and the Dumbarton Bridge and into Menlo Park. In the vicinity of the project area, SR-84 has at least three travel lanes in each direction, and a high occupancy vehicle lane in the westbound direction as it approaches the Dumbarton Bridge Toll Plaza. SR-84 carries about 84,000 vehicles per day between the Dumbarton Bridge and Newark Boulevard, including about 6,000 in a peak hour in both directions (Caltrans, 2005 Monitoring Report). Although previously reported to be LOS F by the Alameda County Congestion Management Agency, the segment of SR-84 westbound from Peralta Boulevard to Thornton Avenue improved form LOS F to LOS E in 2004. The SR-84 segment eastbound from Thornton Avenue to I-880, however, was rated as LOS F for the first time. (Alameda County Congestion Management Agency, 2004 LOS Monitoring Study).

Paseo Padre Parkway

Paseo Padre Parkway traverses throughout Fremont, from Mission Boulevard in the south to Thornton Avenue in the north in the project area. It has two travel lanes in each direction, with additional turn lanes provided at key intersections. Paseo Padre Parkway carries between 11,000 and 12,00 vehicles per day in the vicinity of Ardenwood Boulevard.

Ardenwood Boulevard

Ardenwood Boulevard connects Jarvis Road in Newark to Union City Boulevard in Union City. It carries about 29,400 vehicles per day south of Paseo Padre Parkway, and about 19,800 vehicles per day north of Paseo Padre Parkway. It generally has two lanes in each direction, with additional turn lanes provided at key intersections.

Roadways Studied

Within the study area there are several roadways that provide access within the Northern Plain Planning area, as well as between the Initiative Area and points outside the area either locally or regionally. The following roadways and roadway segments were analyzed as part of this study.

1. SR-84 from I-880 to Dumbarton Bridge Toll Plaza (6 segments)
2. Paseo Padre Pkwy from SR-84 to Fremont Blvd. (8 segments)
3. Ardenwood Blvd from Jarvis Ave to Union City Blvd. (6 segments)
4. Union City Blvd from Ardenwood Blvd to Dyer St. (2 segments)
5. Decoto Rd from Paseo Padre Pkwy to I-880 (4 segments)
6. I-880 from Alvarado Niles Blvd to Thornton Ave. (6 segments)

In total, 32 roadway segments were chosen in cooperation with City staff as they represent the roadway segments most likely to be impacted by the development scenarios. The traffic report analyzes the

weekday AM and PM peak-hour existing baseline conditions along these roadway segments as well as the cumulative condition under each of the development scenarios.

Vehicle Miles Traveled

One of the common measures of effectiveness in cumulative transportation analysis is vehicle miles traveled (VMT). It is a function of the proposed development scenarios and their respective trip generation, as well as the roadway network configuration, job center locations, and surrounding land uses. In order to compare the development scenarios, all other factors were held constant. In general, the number of vehicle miles traveled in northwest Fremont is projected to increase by over 50-percent over 20 years (from 2005 to 2025) in both the AM and PM peak hours, due to overall growth in both the local and regional areas. VMT in the Northern Plain planning area are projected to increase by approximately 30,000 additional peak hour vehicle miles traveled, compared to 2005 conditions during the same period. The majority of these additional miles would be generated by cumulative regional and local traffic growth. Overall VMT calculations do not vary substantially among the four development scenarios, no further discussion of VMT is provided.

3.4.1 Scenario 1: General Plan and Zoning Buildout

Under Scenario 1, up to 266 residential units and 900,000 square feet of restricted industrial development could be constructed in the Initiative Area. Assuming buildout of all residential and industrial uses, a total of 7,700 additional daily trips would be generated, including 756 AM peak hour and 994 PM peak hour trips. This would be a substantial increase in trips over existing conditions and would result in the need for local traffic improvements to provide safe and efficient access and circulation.

Under 2005 existing baseline conditions, all of the roadway segments would operate within acceptable levels (LOS D or better). Under cumulative conditions (2025), 13 individual roadway segments out of the 32 analyzed are projected to operate below an acceptable level of service (LOS D). The majority of these roadway segments would experience substantial increases in traffic with or without development under Scenario 1.

3.4.2 Scenario 3: Initiative Residential Option

Under Scenario 3, up to 100 residential units could be constructed, with the balance of the Initiative Area designated as public open space. Assuming buildout of the residential use, a total of 1,040 additional daily trips would be generated, including 79 AM peak hour and 107 PM peak hour trips. This would be a moderate increase in trips and would result in the need for local traffic improvements to provide safe and efficient access and circulation.

Under 2005 existing baseline conditions, all of the roadway segments would operate within acceptable levels (LOS D or above). Under the cumulative (2025) condition, 12 individual roadway segments of the 32 analyzed are projected to operate below an acceptable level of service (LOS D). As with Scenario 1, most of the increases in traffic projected under this scenario are due to cumulative development that would occur with or without development of the Initiative Area.

3.4.3 Scenario 4: Patterson Ranch Proposal

Under Scenario 4, approximately 15,100 additional daily trips would be generated, including 1,164 AM peak hour and 1,678 PM peak hour trips. This would be a substantial increase in trips and would result in the need for local traffic improvements to provide safe and efficient access and circulation.

Under 2005 existing baseline conditions, all of the roadway segments would operate within acceptable levels (LOS D or better). Under cumulative (2025) conditions, 13 individual roadway segments of the 32 analyzed are projected to operate below an acceptable level of service (LOS D). While the majority of these roadway segments would experience substantial increases in traffic with or without development, the trips associated with Scenario 4 place a substantially greater burden on roadway segments than do lower density scenarios.

3.4.4 Summary of Traffic Effects

For all three scenarios evaluated, the cumulative development projected in the study area would contribute to conditions where roadway segment LOS levels exceeded acceptable levels, and where impacts were considered moderate or substantial. There would be substantial increases in total vehicle miles traveled in the Northern Plain Planning area as a result of cumulative growth in the Bay Area, and in general, traffic congestion would increase in the area. Under cumulative conditions, there will be a need for local transportation improvements to mitigate the impacts associated with the ambient growth of traffic in the area. Overall, Scenario 3 would generate the most moderate increase in vehicle trips compared to the substantial increases generated by Scenario 4. Substantial cumulative impacts to roadway segment levels of service would occur under all the development scenarios, although one additional roadway subsegment (Union City Boulevard) would operate at acceptable levels of service under Scenario 3. **Table 3.4-1** provides a summary comparison of traffic effects for the scenarios.

Table 3.4-1 Traffic Effects: Summary Comparison of Scenarios

Development Scenario	Impact Criteria	
	Cumulative Contribution to decreased roadway segment levels of service	**Increased Vehicle Trip Generation**
Scenario 1: General Plan and Zoning Buildout	**Substantial.** 13 of 32 studied roadway segments would operate below LOS D.	**Moderate.** 7,700 additional daily trips, 756 AM and 994 PM additional peak hour trips.
Scenario 3: Initiative Residential Option	**Moderate.** 12 of 32 studied roadway segments would operate below LOS D.	**Minimal.** 1,040 additional daily trips, 79 AM and 107 PM additional peak hour trips.
Scenario 4: Patterson Ranch Proposal	**Substantial.** 13 of 32 studied roadway segments would operate below LOS D.	**Substantial.** 15,180 additional daily trips, 1,1164 AM and 1,678 PM additional peak hour trips.

Source: DKS Associates, 2006; Impact Sciences, 2006

3.5 AIR QUALITY

The Initiative Area is located in the San Francisco Bay Air Basin ("the Basin"). The U.S. Environmental Protection Agency (U.S. EPA) has established national ambient air quality standards (NAAQS) for the following air pollutants: ozone (O_3), carbon monoxide (CO), nitrogen dioxide (NO_2), sulfur dioxide (SO_2), "respirable" or "coarse" particulate matter (PM) less than 10 microns in diameter (PM_{10}), "fine" PM less

than 2.5 microns in diameter ($PM_{2.5}$), and lead. In addition to standards for these pollutants, the California Air Resources Board (CARB) has established California ambient air quality standards (CAAQS) for sulfates, visibility-reducing particles, hydrogen sulfide, and vinyl chloride. The California standards are more stringent than the federal standards. These standards identify the maximum levels of air pollutants in ambient (background) air considered safe (with an adequate margin of safety) to protect the public health and welfare. The U.S. EPA and CARB have designated the Basin as attainment or nonattainment with respect to each of these pollutants. **Table 3.5-1** lists the pollutants for which the basin is in nonattainment status with respect to national and state standards.

Table 3.5-1 Ambient Air Quality Standards and Status in the San Francisco Bay Air Basin

Pollutant	Averaging Time	Designation/Classification
National Standards		
Ozone (O_3)	8 Hour	Nonattainment/Marginal
State Standards		
Ozone (O_3)	1 Hour	Nonattainment/Serious
Respirable Particulate Matter (PM_{10})	Annual Arithmetic Mean	Nonattainment
	24 Hour	Nonattainment
Fine Particulate Matter ($PM_{2.5}$)	Annual Arithmetic Mean	Nonattainment
Lead (Pb)*	30 Day Average	Attainment
Vinyl Chloride*	24 Hour	Unclassified

* The ARB has identified lead and vinyl chloride as "toxic air contaminants" with no threshold level of exposure for adverse health effects determined.

Source: Environmental Protection Agency. "Region 9: Air Programs, Air Quality Maps." [Online] [July 14, 2005]; California Air Resources Board. "Area Designations (Activities and Maps)." [Online] [July 21, 2005].

The principal air pollutants of concern in the Basin are ozone and particulate matter (PM_{10} and $PM_{2.5}$) primarily due to nonattainment with the CAAQS. Accordingly, for this evaluation, the potential for a scenario to contribute significantly to ozone or particulate pollution in the Basin was used as a measure of the potential air quality impacts. Because ozone results mostly from photochemical conversion of oxides of nitrogen (NO_x) and reactive organic compounds (ROC), rather than direct emissions, the potential for a scenario to emit ozone precursors, such as NO_x and ROC, was evaluated along with particulate matter (PM_{10}). Development under a scenario that could result in emissions of toxic air contaminants could adversely affect the public health of sensitive receptors. Thus, the potential for health impacts due to emissions of toxic air contaminant is also addressed.

Residences to north and east of the Initiative Area are considered sensitive receptors due to the potential presence of children, the elderly, people with illnesses, or others who are especially sensitive to the effects of air pollutants. Hospitals, schools, and convalescent facilities are also examples of sensitive receptors that may be present near the Initiative Area. The *BAAQMD CEQA Guidelines* caution that air quality problems may arise when sources of toxic air contaminants, odors, and fugitive dust are located close to sensitive receptors. Accordingly, some industrial uses could result in substantial air quality and public health impacts.

3.5.1 Scenario 1: General Plan and Zoning Buildout

Under General Plan and Zoning Buildout (Scenario 1), up to 266 residential units and 900,000 square feet of restricted industrial development could be constructed. The land designated for residential use could also be developed for agricultural use. The balance of the area would consist of open space. Assuming buildout of the residential and industrial uses, as allowed by the existing land use regulations, the primary sources of emissions associated with operation under this scenario would include delivery vehicles (e.g., trucks), residential and employee motor vehicles (e.g., automobiles and trucks) and to a lesser extent, consumer products and space heating (which could include wood stoves). If agricultural uses were expanded, the sources of emissions would also include fugitive dust from land preparation and harvesting, diesel-powered farm equipment, pesticides, and farm motor vehicles (e.g., trucks).

Light-duty motor vehicles used by residents and employees are sources of NO_x, ROC, PM_{10}, and toxic air contaminants (e.g., benzene, formaldehyde). Due to the relatively low magnitude and density of development under this scenario, the toxic emissions from motor vehicles would not be expected to pose substantial public health concerns. Assuming that the restricted industrial development would be comprised of research and development, warehousing, and shipping uses, the operational emissions would not be expected to include substantial quantities of directly emitted toxic air contaminants from stationary sources. (Note: the BAAQMD permitting rules for stationary sources would preclude toxic emissions that would result in substantial health impacts from industrial uses.) The residential and light industrial uses proposed under Scenario 1 would be expected to pose substantial air quality issues due either to their contribution to criteria pollutant emissions in the Basin or to impacts on nearby residential areas to the east of the Initiative Area. Additionally, if the industrial use were to involve large numbers of diesel trucks (i.e., large warehousing operations), the trucks could generate emissions of diesel exhaust particulate matter, which has been classified by the CARB as a carcinogenic toxic air contaminant, as well as higher emissions of NO_x and PM_{10}.

3.5.2 Scenario 2: Initiative Estate Residential/Farmland Option

The Initiative Estate Residential/Farmland Option (Scenario 2) would involve nine large single-family residential units or nine agricultural parcels, which could include a residence and agricultural worker housing. The primary sources of emissions associated with single-family residential uses under this scenario would include NO_x, ROC, and PM_{10} from residential motor vehicles (e.g., automobiles and trucks) and to a lesser extent, consumer products and space heating (which could include wood stoves). Due to the very low density of development, the emissions associated with the motor vehicles traveling to and from the residences would be low. Other than vehicle trips to and from the open space areas, no emissions would be associated with these areas. While light-duty motor vehicles are also a source of toxic air contaminants (e.g., benzene, formaldehyde), the low level of development would not be expected to result in substantial emissions that would pose public health concerns.

The primary sources of emissions associated with agricultural development under this scenario would include fugitive dust from land preparation and harvesting, diesel-powered farm equipment, pesticides, farm motor vehicles (e.g., trucks), and residents' and farm workers' motor vehicles (e.g., automobiles and trucks). Due to the low density of development, the NO_x, ROC, PM_{10}, and toxic emissions associated with the motor vehicles traveling to and from the residences and farm worker housing would be relatively

low. Most of the emissions would be associated with the agricultural operations. The primary air pollutants associated with agricultural operations would include NO_x and PM_{10} (from equipment and motor vehicle engines), ROC (from engines and pesticide application), and toxic air contaminants (from pesticide application and diesel-powered equipment). While light-duty motor vehicles are also a source of toxic air contaminants (e.g., benzene, formaldehyde), the low level of development would not be expected to result in substantial emissions.

Residences to the east of the Initiative Area are considered sensitive receptors due to the potential presence of children, the elderly, people with illnesses, or others who are especially sensitive to the effects of air pollutants. Hospitals, schools, and convalescent facilities are also examples of sensitive receptors that may be present in the area to the east of the Initiative Area. The *BAAQMD CEQA Guidelines* caution that air quality problems may arise when sources of toxic air contaminants, odors, and fugitive dust are located close to sensitive receptors. Accordingly, the agricultural operations allowed under this scenario could result in air quality impacts due to such emissions.

3.5.3 Scenario 3: Initiative Residential Option

The Initiative Residential Option (Scenario 3) would involve up to 100 residential units with the balance of the area designated as public open space. The primary sources of emissions associated with operation under this scenario would include NO_x, ROC, and PM_{10} from residential motor vehicles (e.g., automobiles and trucks) and to a lesser extent, consumer products and space heating (which could include wood stoves). Due to the low density of development, the emissions associated with the motor vehicles traveling to and from the residences would be relatively low. Other than vehicle trips to and from the open space areas, no emissions would be associated with these areas. While light-duty motor vehicles are also a source of toxic air contaminants (e.g., benzene, formaldehyde), the low level of development would not be expected to result in substantial emissions that would pose public health concerns. The uses proposed under Scenario 3 would not be expected to pose substantial air quality issues due either to the contribution to criteria pollutant emissions in the Basin or to impacts on nearby residential areas to the east of the Initiative Area.

3.5.4 Scenario 4: Patterson Ranch Proposal

The primary emissions associated with operation under this scenario would include NO_x, ROC, and PM_{10} emissions from delivery vehicles (e.g., trucks), residential and employee motor vehicles (e.g., automobiles and trucks) and to a lesser extent, consumer products and space heating (which could include wood stoves). Light-duty motor vehicles used by residents and employees are a source of toxic air contaminants (e.g., benzene, formaldehyde). Scenario 4 would have a higher magnitude and density of development compared to the other scenarios, resulting in greater toxic emissions from these motor vehicles (though not anticipated to pose substantial public health concerns). Assuming that the restricted industrial development would be comprised of research and development, warehousing, and shipping uses, the operational emissions would not be expected to include substantial quantities of directly emitted toxic air contaminants from stationary sources. (Note: the BAAQMD permitting rules for stationary sources would preclude toxic emissions that would result in substantial health impacts from industrial uses.)

On balance, the uses proposed under Scenario 4 would pose substantial air quality issues due to the contribution to emissions of criteria pollutants in the Basin. Furthermore, if the industrial use were to involve large numbers of diesel trucks (i.e., large warehousing operations), the use could result in emissions of diesel exhaust particulate matter, which is classified by the CARB as a carcinogenic toxic air contaminant. Other than vehicle trips to and from the open space areas, no emissions would be associated with these areas.

3.5.5 Summary of Air Quality Effects

Scenario 1, General Plan and Zoning Buildout, would generate substantial emissions of ozone precursors from residential and industrial development. If the areas designated for residential use were instead developed for agricultural uses, this scenario has a moderate potential to emit particulate matter and toxic air contaminants that could adversely impact residential areas to the east of the Initiative area. Industrial uses on the Cargill Salt property, under Scenario 1, would have a moderate potential to emit particulate matter and toxic air contaminants that could adversely impact residential areas to the east of the Initiative area. Scenario 2, the Initiative Estate Residential/Farmland Option, would generate minimal emissions from the residential vehicle trips. The farmland option would generate moderate emissions of ozone precursors from equipment and motor vehicles associated with agricultural uses. It would have a moderate potential to emit particulate matter and toxic air contaminants that could adversely impact residential areas to the east of the Initiative Area. Scenario 3, the Initiative Residential Option, would generate moderate emissions of ozone precursors from residential development. For this scenario, the potential to emit particulate matter and toxic air contaminants would be minimal. Scenario 4, the Patterson Ranch Proposal, would generate substantial emissions of ozone precursors from residential and industrial development. This scenario would have a moderate potential to emit particulate matter or toxic air contaminants, which would generally be associated with industrial uses on the Cargill Salt property. **Table 3.5-2** presents a comparative summary of air quality impacts for each scenario.

Table 3.5-2 Air Quality Impacts: Summary Comparison of Scenarios

Development Scenario	Impact Criteria		
	Potential emissions of ozone precursors	**Potential particulate emissions in proximity to sensitive receptors**	**Potential for emissions of toxic air contaminants in proximity to sensitive populations**
Scenario 1: General Plan and Zoning Buildout Scenario	**Substantial.** Potential for emissions of ozone precursors from motor vehicles associated with residential and industrial development.	**Moderate.** Potential for fugitive dust from agricultural operations and diesel particulates from farm equipment in proximity to residential uses. Moderate potential for additional diesel particulate emissions from commercial trucks associated with industrial uses on Cargill Salt property.	**Moderate.** Potential for emissions of toxic air contaminants (pesticides and diesel particulates from farm equipment) in proximity to residential uses. Moderate potential for additional diesel particulate emissions from commercial trucks associated with industrial uses on Cargill Salt property.
Scenario 2: Initiative Farmland Scenario	**Minimal.** Very little potential for emissions of ozone precursors from residential use. **Moderate.** Potential for emissions of ozone precursors from motor vehicles and equipment associated with agricultural operations.	**Minimal.** Potential for particulate emissions primarily during residential construction. **Substantial.** Potential for fugitive dust from agricultural operations and diesel particulates from farm equipment in proximity to residential uses.	**Minimal.** Potential for emissions of toxic air contaminants from residential development. **Moderate.** Potential for emissions of toxic air contaminants (pesticides and diesel particulates from farm equipment) in proximity to residential uses.
Scenario 3: Initiative Residential Scenario	**Moderate.** Potential for emissions of ozone precursors from motor vehicles associated with residential and industrial development.	**Minimal.** Potential for particulate emissions during construction of residences.	**Minimal.** Potential for emissions of toxic air contaminants.
Scenario 4: Patterson Ranch Proposal	**Substantial.** Potential for emissions of ozone precursors from motor vehicles associated with residential and industrial development.	**Moderate.** Potential for diesel particulate emissions from commercial trucks associated with industrial uses on Cargill Salt property.	**Moderate.** Potential for diesel particulate emissions from commercial trucks associated with industrial uses on Cargill Salt property. Minimal potential for emissions of toxic air contaminants from industrial uses of Cargill Salt property.

Source: Impact Sciences, 2006

3.6 FISCAL EFFECTS

This section, and **Section 3.7,** provide a summary of the Fiscal Analysis report prepared by Bay Area Economics and provided at the end of this report in **Attachment A**. Specifically, the report provides an analysis of the overall fiscal impacts of the four scenarios by examining the following issues:

- Fiscal impact of the development scenarios on the City General Fund (**Section 3.6**).
- Capital funding impacts of the development scenarios on the Fremont Unified School District and the East Bay Regional Park District
- The impact of the development scenarios on the City's existing capital facilities planning for parks, fire, public and transportation facilities
- The development scenarios' effect on existing businesses and attraction of new business (**Section 3.7**).

GENERAL FUND IMPACTS

In order to analyze the ongoing fiscal impacts and one-time capital expenditures, Bay Area Economics (BAE) created a fiscal model that projects the magnitude of increased City of Fremont General Fund service costs and offsetting General Fund revenues that can be expected as a result of each scenario.

3.6.1 Scenario 1: General Plan and Zoning Buildout

Scenario 1 would generate a fiscal surplus of $1,098,000. This is primarily a result of a lower service population and few new park spaces relative to other scenarios. Scenario 1 would generate significant business to business taxable sales revenues from new employees at the Cargill Property. The large lot residential units and industrial development assumed under this scenario would also generate $917,000 in additional property tax revenue to the City.

Table 3.6-1 General Fund Analysis: Scenario 1

Department/Resource	Fiscal Impact: New Expenditures/Revenues	Fiscal Impact: Comments
Expenditures (a)		
Police	$250,000	Two new officers.
Fire	$228,000	Proportional share of fire costs with an additional company to prevent service brown-outs.
Parks and Recreation	$36,000	4.2 acres of new park land maintained plus
Transportation and Operations	$169,000	10.18 new lane miles maintained, plus proportional share of other transportation and operations costs.
Other Departments	$90,000	Proportional share of other costs including general government, human services, and community development.
Total General Fund Costs	*$773,000*	
Revenues (a)		
Sales Taxes	$302,000	Large business to business revenues generated from industrial space at Cargill Property.
Property Taxes	$917,000	Large lot home prices increase the City's overall assessed value by 2.5 percent.
Vehicle License Fees	$345,000	Includes in-lieu of vehicle license fee revenues.
Business License Fees	$182,000	Industrial space at Cargill property estimated to generate approximately 2,600 new employees.
Other Taxes and Fees	$124,000	Includes increased franchise fees, fines, and property transfer taxes.
Total General Fund Revenues	*$1,870,000*	
Net General Fund Impact	**$1,098,000 (a)**	**Shows the highest net fiscal surplus to the City's General Fund among all four scenarios.**

(a)Totals may not sum due to rounding. Totals are rounded to the nearest thousand.

Source: BAE, 2006

3.6.2 Scenario 2: Initiative Estate Residential/Farmland Option

Scenario 2, the Initiative Estate Residential/Farmland Option, would generate a small net fiscal surplus to the City's General Fund in the amount of $38,000 per year. The majority ($30,000) of this surplus would be generated by new property tax revenue to the City from the sale of farmland estates within the Initiative area. Development under this scenario would generate few additional costs to the City as the area will remain relatively unchanged. While this scenario shows a net fiscal surplus, it represents the lowest surplus among the four scenarios.

Table 3.6-2 General Fund Analysis: Scenario 2

Department/Resource	Fiscal Impact	
	New Expenditures/Revenues	Comments
Expenditures (a)		
Police	$0	No significant change in policing services.
Fire	$3,000	Proportional share of fire costs based on the projected growth in the service population.
Parks and Recreation	$1,000	Less than one acre of additional park maintained.
Transportation and Operations	$1,000	No new roads. Proportional share of other transportation and operations costs.
Other Departments	$1,000	Proportional share of other costs including general government, human services, and community development.
Total General Fund Costs	***$7,000***	***Lowest costs to the City's General Fund among all four scenarios.***
Revenues (a)		
Sales Taxes	$2,000	Slight growth in local taxable sales based on a small increase in the resident population.
Property Taxes	$30,000	Limited development program reduces appraised value potential.
Vehicle License Fees	$11,000	Includes in-lieu of vehicle license fee revenues.
Business License Fees	$0	Conversion of Cargill property to open space removes commercial and industrial employment generating uses from the Initiative area.
Other Taxes and Fees	$2,000	Includes increased franchise fees, fines, and property transfer taxes.
Total General Fund Revenues	***$45,000***	***Lowest General Fund revenues among all four scenarios.***
Net General Fund Impact	**$38,000**	**Generates fiscal surplus. Represents the lowest fiscal surplus among scenarios.**

(a)Totals may not sum due to rounding. Totals are rounded to the nearest thousand.

Source: BAE, 2006

3.6.3 Scenario 3: Initiative Residential Option

Scenario 3, the Initiative Residential Option, would generate a net General Fund surplus of approximately $117,000 per year. The largest General Fund cost associated with this scenario is the annual maintenance of the proposed 20-acre park, with annual estimated costs of $127,000. Property tax revenues associated with this scenario ($259,000) would partially offset projected costs, primarily as a

result of increased property values from the construction and sale of large lot residential units on the east of Ardenwood Boulevard.

Table 3.6-3 General Fund Analysis: Scenario 3

Department/Resource	Fiscal Impact	
	New Expenditures/Revenues	Comments
Expenditures (a)		
Police	$78,000	Addition of 0.5 officers.
Fire	$34,000	Proportional share of fire costs based on the projected growth in the service population. Assumes additional personnel costs to eliminate service brown-outs.
Parks and Recreation	$127,000	20 acres of new park maintained.
Transportation and Operations	$35,000	2.87 new lane miles maintained, plus proportional share of other transportation and operations costs.
Other Departments	$16,000	Proportional share of other costs including general government, human services, and community development.
Total General Fund Costs	***$290,000***	
Revenues (a)		
Sales Taxes	$26,000	Slight growth in local taxable sales based on 361 new residents in Initiative area.
Property Taxes	$259,000	Large lot residential increases the City's total assessed value by less than one percent.
Vehicle License Fees	$98,000	Includes in-lieu of vehicle license fee revenues.
Business License Fees	$0	Conversion of Cargill property to open space removes commercial and industrial employment generating uses from the Initiative area.
Other Taxes and Fees	$24,000	Includes increased franchise fees, fines, and property transfer taxes.
Total General Fund Revenues	***$407,000***	
Net General Fund Impact	**$117,000 (a)**	**Generates fiscal surplus.**

(a)Totals may not sum due to rounding. Totals are rounded to the nearest thousand.

Source: BAE, 2006

3.6.4 Scenario 4: Patterson Ranch Proposal Scenario

The Patterson Ranch Proposal would generate both the highest General Fund costs and the highest General Fund revenues. The estimated net fiscal impact would be an overall surplus to the General Fund of approximately $654,000. Significant costs generated under this scenario are police, fire, and parks and recreation. The analysis assumes the Parks and Recreation Department will maintain all 50 acres of public parkland proposed under this scenario. If a homeowners' association (HOA) or assessment district in the Initiative Area paid for park maintenance and/or street maintenance, then the net fiscal benefit to the City would be greater.

Table 3.6-4 General Fund Analysis: Scenario 4

Department/Resource	Fiscal Impact	
	New Expenditures/Revenues	Comments
Expenditures (a)		
Police	$689,000	Adds 4.5 new officers and one new vehicle.
Fire	$419,000	Proportional share of fire costs with additional personnel costs to prevent service brown-outs.
Parks and Recreation	$339,000	Approximately 50 new park acres maintained, significantly higher park land standard results in high park land maintenance costs.
Transportation and Operations	$254,000	10.88 new lane miles maintained, plus proportional share of other transportation and operations costs.
Other Departments	$181,000	Proportional share of other costs including general government, human services, and community development.
Total General Fund Costs	*$1,881,000*	*Represents the highest costs to the City's General Fund among the four scenarios. Assumes no special assessment or HOA revenues to offset street or park maintenance costs.*
Revenues (a)		
Sales Taxes	$456,000	Large business to business revenues generated from industrial space at Cargill Property.
Property Taxes	$1,204,000	Development program generates substantial property tax revenue adding 3.2 percent to the City's total assessed value.
Vehicle License Fees	$464,000	Includes in-lieu of vehicle license fee revenues.
Business License Fees	$195,000	Industrial space at Cargill property estimated to generate approximately 2,600 new employees plus another 100 employees in the new commercial space along Paseo Padre Parkway.
Other Taxes and Fees	$216,000	Includes increase franchise fees, fines, and property transfer taxes.
Total General Fund Revenues	*$2,535,000*	*Generates the most General Fund revenues among scenarios.*
Net General Fund Impact	**$654,000**	**High revenues are offset by higher costs. Shows a lower net General Fund surplus than the General Plan Scenario due to the larger service population in Scenario 4.**

(a)Totals may not sum due to rounding. Totals are rounded to the nearest thousand.

Source: BAE, 2006

3.6.5 Summary Comparison of General Fund Fiscal Impacts

Table 3.6-5 General Fund Fiscal Impact Comparison

Scenario	Net Fiscal Benefit	Comments
Scenario 1: General Plan and Zoning Buildout	$1,098,000	Large increase in assessed value combined with less city services need than Scenario 4 shows highest net fiscal benefit.
Scenario 2: Initiative Estate Residential/Farmland Option	$38,000	Marginal change to existing city operations.
Scenario 3: Initiative Residential Option	$117,000	Assumes open space will be maintained by the East Bay Regional Park District.
Scenario 4: Patterson Ranch Proposal	$654,000	High revenues offset by higher costs to maintain parks and provide police and fire services to the area. Costs may be reduced through a local HOA or assessment district to maintain local parks and streets.

(a) Totals are rounded to the nearest thousand.

Source: BAE, 2006

IMPACTS ON FREMONT UNIFIED SCHOOL DISTRICT

The Fremont Unified School District (FUSD) serves approximately 32,000 students living in Fremont and its environs. FUSD operates 41 schools including five traditional high schools, one continuation school (serving high school and junior high students), one adult school, five junior high schools, 28 elementary schools, and one preschool. This analysis focuses on the capital costs associated with the development scenarios. Capital cost impacts result primarily from costs of additional school facilities, related furnishings and equipment, and projected capital maintenance requirements. Projected facilities requirements are based on District facilities standards adopted in 1997 as a part of FUSD's *Long Range Facilities Master Plan 1997-2005*

Additional facilities will carry capital maintenance and renovation costs. FUSD has newly updated development impact fees, adopted in March 2006, that generate funds to build classrooms and other school facilities to serve students from new developments. These fees generate $2.63 per residential square foot developed. In addition, FUSD receives $0.42 per square foot for construction of new commercial space.

3.6.6 Scenario 1: General Plan and Zoning Buildout

The 266 units allowed under Scenario 1 are projected to generate 123 elementary, 39 junior high, and 78 high school students. Allocating the cost of new school facilities to serve these students, the scenario would create a capital cost of $8.6 million to FUSD. Development impact fees would generate $2.8 million to fund school facilities leaving FUSD with a $5.8 million shortfall in funding of capital facilities.

3.6.7 Scenario 2: Initiative Estate Residential/Farmland Option

The 9 units allowed in Scenario 2 are projected to generate four elementary, one junior high, and three high school students. Allocating the cost of new school facilities to serve these students, the scenario would create a capital cost of $291,000 to FUSD. Development impact fees would generate $107,000 to fund school facilities leaving FUSD with an $184,000 shortfall in funding of capital facilities.

3.6.8 Scenario 3: Initiative Residential Option

The 100 units allowed in this Scenario are projected to generate 46 elementary, 15 junior high, and 29 high school students. Allocating the cost of new school facilities to serve these students, the scenario would create a capital cost of $3.2 million to FUSD. Development impact fees would generate $789,000 to fund school facilities leaving FUSD with a $2.4 million shortfall in funding of capital facilities.

3.6.9 Scenario 4: Patterson Ranch Proposal

The 800 units allowed in the Patterson Ranch proposal Scenario are projected to generate 325 elementary, 102 junior high, and 207 high school students. Allocating the cost of new school facilities to serve these students, the scenario would create a capital cost of $22.7 million to FUSD. As part of the Patterson Ranch Proposal Scenario, dedication of an 8.6 acre elementary school site is assumed. Assuming that the site is sufficient in size and otherwise acceptable to FUSD as a location for a new elementary school, the school site would represent a significant contribution toward the capital costs of new facilities. Land donation and development impact fees would generate $12.3 million to fund school facilities leaving FUSD with a $10.4 million shortfall in funding of capital facilities In a "best case" outcome, the Patterson Ranch Scenario would include the donation of a turn-key elementary school, receipt of State grants, and payment to the District of all developer impact fees. Such "best case" outcome results in a capital surplus of up to $3 million. It should be noted that a "turn key" elementary school is not used as a baseline assumption for this analysis of the Patterson Ranch Scenario, but is described in the scenario's conceptual project description.

Table 3.6-6 FUSD Analysis: Summary Comparison of Scenarios

	Fiscal Impacts			
Development Scenario	**Student Generation**	**Allocated Capital Costs**	**Development Fees**	**Net Capital Costs**
Scenario 1: General Plan and Zoning Buildout	123 Elementary 39 Jr. High 78 High School	$12.1 million $8.6 million after State grants.	$2.8 million	$5.8 million
Scenario 2: Initiative Estate Residential/Farmland Option	4 Elementary 1 Jr. High 3 High School	$411,000 $291,000 after State grants.	$107,000	$184,000
Scenario 3: Initiative Residential Option	46 Elementary 15 Jr. High 29 High School	$4.6 million $3.2 million after State grants.	$789,000	$2.4 million
Scenario 4: Patterson Ranch Proposal	325 Elementary 102 Jr. High 207 High School	$32.1 million $22.7 million after State grants.	$5.5 million + donation of a elementary school site	$10.3 million Up to $3 million surplus with "turnkey" elementary school.

Source: Bay Area Economics, 2006

EAST BAY REGIONAL PARK DISTRICT (EBRPD)

In Fremont's Ardenwood area, EBRPD manages Ardenwood Historic Farm and Coyote Hills Regional Park, a regional park abutting the initiative project site. The Regional Park, on the southeast shore of the San Francisco Bay, encompasses 954 acres including the Coyote Hills, a small range of hills at the edge of the bay and a substantial area of wetlands. The hills, though not high, provide panoramic views. The park has a network of hiking trails, most of them also available to horse riders, and 3.5 miles (5.6km) of paved trails available to cyclists.

The purpose of this analysis is to determine if development under the four scenarios would create additional fiscal burdens on EBPRD. The major source of funding for EBRPD is property tax. If projected revenues for a given scenario exceed the full project costs to maintain new parkland, it can be concluded that the scenario will not create an additional fiscal burden on EBPRD. How EBPRD will ultimately allocate the new revenues associated with a scenario is an EBPRD Board decision.

BAE estimated maintenance costs for an expanded regional park based on the current 2006 EBPRD budget. Operations and maintenance costs at the regional park fall into three EBRPD units: the Public Safety Department, Interpretive Services, and the Interpretive Parklands Units of the Operating Division. Expansion of the regional parks acreage is not expected to increase the need for staff at the interpretive center and therefore has no budgetary effect on the Interpretive Services Unit.

3.6.11 Scenario 1: General Plan and Zoning Buildout

This scenario allows residential and agricultural uses on the Patterson Ranch property and restricted industrial uses (including office and R&D uses) on the Cargill Salt property. Based on estimates of additional EBRPD property tax, the scenario would result in $194,512 in new property tax revenue to EBRPD. The General Plan and Zoning Scenario contains no open space dedicated to EBRPD and therefore no fiscal or capital funding impacts to EBRPD.

3.6.12 Scenario 2: Initiative Estate Residential/Farmland Option

This scenario allows agricultural and related residential uses on the Patterson Ranch property and only open space uses on the Cargill Salt property. Based on estimates of additional EBRPD property tax, the scenario would result in $6,354 in new property tax revenue to EBRPD. The Initiative Estate Residential/Farmland Option contains no open space dedicated to EBRPD and therefore no fiscal or capital funding impacts to EBRPD.

3.6.13 Scenario 3: Initiative Residential Option

EBRPD Operating Budget Impacts

This scenario requires donation to EBRPD of 420 acres adjacent to the Coyote Hills. Based on estimates of additional EBRPD property tax, the scenario would result in $54,914 in new property tax revenue to EBRPD. Based on an average cost method, the 420 acres would generate new costs of $337,527 to EBRPD's Public Safety Department and Interpretive Parkland Unit. This would create an ongoing annual EBRPD operating shortfall of $282,613.

EBRPD Capital Expenditures

EBRPD has not had the opportunity to study needed capital expenditures for an expansion of Coyote Hills Regional Park. Typically, EBRPD would conduct an acquisition analysis to evaluate improvements needed to accept a land dedication and expansion of actively used parkland. The acquisition evaluation would focus on improvements needed to bring new parkland to a "land bank" status allowing EBRPD to fence and secure new parkland. A very conservative estimate of land banking costs including re-fencing the entire perimeter of the donated acreage under this scenario is $1.4 million.

Bringing new parkland into active use at Coyote Hills requires further study that may potentially include a master planning process for the regional park. However, from discussion with EBRPD staff future plans could include additional paved trails, a new staging area (to provide parking and restrooms in the new area of the park) and potentially a new interpretive center. The existing center is old and expensive to maintain and new parkland may call for reconfiguration of traffic flow and a new placement for the interpretive center. Assuming that new park acreage would have paved trails in the same proportion as the existing park, new trail costs would cost $1.26 million under this scenario. Based on projected costs for comparable project in the 2006 EBRPD Capital Improvement Plan, construction of a staging area would cost approximately $500,000 and a new interpretive center would cost approximately $5 million.

These potential capital projects have an estimated total cost of $8.2 million. It should be emphasized these are very preliminary capital cost estimates and include nothing for habitat restoration or other potential parkland projects. It should be noted that none of these capital projects has an identified funding source. If additional developer funding could not be secured, it is very likely that that these new lands would remain in land bank status for a substantial period, with no or minimal public access to new parkland and no new improvements or public use facilities.

3.6.14 Scenario 4: Patterson Ranch Proposal

EBRPD Operating Budget Impacts

This scenario includes the donation to EBRPD of 246 acres adjacent to the Coyote Hills. Based on estimates of additional EBRPD property tax, the scenario would result in $255,271 in new property tax revenue to EBRPD. Based on an average cost method, the 246 acres would generate new costs of $197,614 to EBRPD's Public Safety Department and Interpretive Parkland Unit. This would create ongoing annual EBRPD net operating revenue of $57,657.

EBRPD Capital Expenditures

As noted in Scenario 3, EBRPD has not had the opportunity to study needed capital expenditures for an expansion of Coyote Hills Regional Park. Typically, EBRPD would conduct an acquisition analysis to evaluate improvements needed to accept a land dedication and expansion of actively used parkland. A very conservative estimate of land banking costs including re-fencing the entire perimeter of the donated acreage associated with this scenario is $1.3 million.

Bringing new parkland into active use at Coyote Hills requires further study that may potentially include a master planning process for the regional park. As discussed above, future plans could include additional paved trails, a new staging area (to provide parking and restrooms in the new area of the park) and potentially a new interpretive center. These potential capital projects have an estimated total cost of $7.6 million for this scenario.

It should be emphasized these are very preliminary capital cost estimates and include nothing for habitat restoration or other potential parkland projects. It should be noted that none of these capital projects has an identified funding source. If additional developer funding could not be secured, it is very likely that that these new lands would remain in land bank status for a substantial period, with no or minimal public access to new parkland and no new improvements or public use facilities.

3.6.15 Summary Comparison of Fiscal Impacts to EBRPD

Table 3.6-7 EBRPD Analysis: Summary Comparison of Scenarios

Development Scenario	Fiscal Impacts	
	Annual Operating Budget	**Capital Costs**
Scenario 1: General Plan and Zoning Buildout	$194,512 property tax No new expenditures **Net $194,512 revenue**	No new Capital Costs
Scenario 2: Initiative Estate Residential/Farmland Option	$6,354 property tax No new expenditures **Net $6,354 revenue**	No new Capital Costs
Scenario 3: Initiative Residential Option	$54,914 property tax $337,527 new expenditures **Net $282,613 costs**	Potential Capital Costs: **$8.2 million**
Scenario 4: Patterson Ranch Proposal	$255,271 property tax $197,614 new expenditures **Net $57,576 revenue**	Potential Capital Costs: **$7.6 million**

Source: Bay Area Economics, 2006

CITY OF FREMONT CAPITAL FACILITY COSTS

New development increases the need for municipal facilities and infrastructure. The City uses development impact fees to fund the needs generated by new development for facilities and infrastructure, including fire facilities, capital facilities, parks, and traffic improvements. The City assesses these fees on new development or on land use changes that increase the need for these improvements. The fees represent only new development's proportionate share of the costs of these improvements. New development is not required to remedy any existing service or infrastructure deficiency.

Capital improvements provided by the fees are essential for maintaining quality of life and for mitigating the citywide cumulative impacts of new development. In 2002, The City of Fremont performed a comprehensive analysis updating the development impact fee program, which includes five fee types:

- Fire Facilities fee, which funds fire station costs and associated start-up equipment;
- Capital Facilities fee, which funds City facilities such as the Police Building, a new City Administration building, the City Services Center (Corporation Yard), libraries, and senior centers;

- Traffic fee, which funds freeway interchanges, roadway widenings, intersection improvements, traffic signals, and signal interconnects;

- Park Facilities fee, which funds new park improvements such as sports fields, restrooms, play areas, landscaping, and parking; and

- Park Dedication In-Lieu fee, which funds the acquisition of parkland. The City collects this fee under the authority of the Quimby Act and the City's Park Dedication In-Lieu fee ordinance.

The City sets fee levels by analyzing the expected cost to provide capital facilities and allocating new development's share among the expected future development. Changes in the expected build out of development sites such as the Initiative area can have an effect on the City's ability to fund known capital needs. The 2002 Development Impact Fee Study assumed residential development on the project site totaling 72 dwelling units and 1.4 million square feet of R&D development on the Cargill Salt site. Changes in development in the Initiative area from this "baseline" scenario would result in changes in the amount of fees collected and the infrastructure needed to serve new development citywide.

Upon consultation with City staff, none of the development scenarios would necessitate the expansion or deletion of any facilities or infrastructure identified as needed in any of the development impact fee programs. Therefore, there is no change in the total capital costs funded by these programs, only the fees collected will vary from scenario to scenario.

It should be noted that typically capital improvement planning is related to the known planned growth; and that changes in development build out can trigger extensive engineering analysis to determine new capital requirements. Due to time and budgetary constraints, a full analysis of the scale of each set of capital improvements to support the varying development scenarios is not possible. Nor has BAE been able to ascertain that the total capital costs collected by impact fees will be adequate to build the identified facilities.

Adequacy of Existing Fee Structure

Based on the June 6th staff report regarding updates to the fee programs, construction and land costs have risen substantially since 2002 and even the annual fee updates may not fund construction of public facilities fully. Assuming that the proposed 2006 fee structure is the best available estimate of the future cost to provide City public facilities, BAE calculated the difference between the existing development fees and the Initiative area's share of infrastructure, using the baseline development using the proposed 2006 fees.

3.6.16 Summary of Impacts to Anticipated City Development Impact Fees

As mentioned previously, development impact fee revenue for the Initiative Area has been anticipated as part of the City's capital improvement planning process. **Table 3.6-8** presents a summary of projected impacts to anticipated city development impact fees.

Table 3.6-8 City Development Impact Fee Analysis: Summary Comparison of Scenarios

Development Scenario	Fiscal Impacts		
	Development Impact Fees	Increase (Shortfall) Over Fees Expected from Initiative Area	Increase (Shortfall) Over 2006 Baseline
Scenario 1: General Plan and Zoning Buildout	$9.9 million	$3.1 million	$600,000
Scenario 2: Initiative Estate Residential/Farmland Option	$225,000	($6.6 million)	($9.0 million)
Scenario 3: Initiative Residential Option	$2.5 million plus 20 acres of dedicated parkland	($4.6 million)	($6.8 million)
Scenario 4: Patterson Ranch Proposal	$13.2 million plus 50 acres of dedicated parkland	$7.3 million	$5.1 million

Source: Bay Area Economics, 2006

3.6.17 Summary of Fiscal Impacts to the City of Fremont Under Each Scenario

The fiscal analysis considers the impact of different scenarios on the City's General Fund, other municipal districts, such as FUSD and EBRPD, and on the City's capital facility costs and revenues. **Table 3.6-9** summarizes the scenario comparisons from **Sections 3.6.1** through **3.6.16**.

Table 3.6-9 Summary Comparison of Fiscal Impacts

Development Scenario	Impact Criteria			
	General Fund Revenues	Impacts to Fremont Unified School District operating budget	Impacts to East Bay Regional Park District operating budget	Shortfall Over 2006 Baseline for Anticipated Development Impact Fees
Scenario 1: General Plan and Zoning Buildout	$1,098,000	Substantial. $5.8 million in associated costs.	Beneficial fiscal impact. Net $194,512 annual revenue, with no anticipated capital costs.	Beneficial fiscal impact. $600,000 increase over baseline.
Scenario 2: Initiative Farmland Option	$38,000	Minimal. $184,000 in associated costs.	Beneficial fiscal impact. Net $6,354 annual revenue, with no anticipated capital costs.	Substantial fiscal impact. $9.0 million shortfall under baseline.
Scenario 3: Initiative Residential Option	$117,000	Moderate. $2.4 million in associated costs.	Substantial. Net $282,613 annual costs, with possible $8.2 in capital costs.	Substantial fiscal impact. $6.8 million shortfall under baseline.
Scenario 4: Patterson Ranch Proposal	$654,000	Substantial. $10.3 million If "turnkey" elementary school funded by developer, would result in beneficial impact of up to $3 million surplus.	Moderate. Net $57,657 revenue, with possible $7.6 in capital costs.	Beneficial fiscal impact. $5.1 million increase over baseline.

Source: BAE, 2006; Impact Sciences, 2006

3.7 BUSINESS RETENTION AND ATTRACTION

BAE has analyzed the development scenarios' impacts on business retention and attraction including land uses that support business and overall fiscal and capital impacts to the City of Fremont.

Ardenwood Biotechnology Cluster

The Bay Area is attractive to the biotechnology industry because of its unique resources including research institutions, highly trained biotech workforce, international connections, support for new and emerging businesses, and access to venture capital. The City of Fremont has developed a strong life science business base comprised of approximately 40 firms, most in the Ardenwood area, using its regional advantages as well as the availability of development sites and streamlined permitting for new and expanding businesses. The City of Fremont has made pursuit of a life science cluster a major economic development initiative. In April 2006, the City of Fremont Office of Economic Development received an Award of Merit from the California Association for Local Economic Development for the City's Biotech Recruitment and Retention Strategy. The strategy serves as an innovative solution to allow the City access to the burgeoning market of biotech and life sciences.

Life sciences firms are often owned by large international "Big Pharma" firms but operated as independent units. Life sciences uses in Ardenwood include headquarters of these units, research & development facilities, and pilot manufacturing sites. There are several small to medium size life sciences companies (or independent units) headquartered in Ardenwood, each leasing 100,000 to 300,000 square feet. Its low cost (vis-à-vis the South Bay), proximity to I-880 and the Dumbarton Bridge and the ability to expand facilities in Ardenwood (due to available buildings and land) have been key drivers of the growth of the cluster.

The Ardenwood Corporate Park is the location of most biotechnology firms in Fremont. This business park has approximately 235 acres of land, including 172 developed acres with approximately 2.5 million square feet. Approximately 1.6 million square feet was built out in the late 1980s as warehouse and industrial space. Since the late 1990s, the business park has seen development and conversions of existing buildings to office and R&D uses. The business park has approximately 63 vacant acres with no single vacant development site over 20 to 25 acres.

The biotechnology cluster was recently strengthened by the acquisition of Sun Microsystems' 1.4 million square foot campus in adjacent Newark by BioMed Realty Trust (BMR). BMR already owns property in Ardenwood, retrofitting existing buildings for life science uses. This announcement makes Newark a viable competitive location for life science companies. Currently, Newark only has one life science firm.

Though life science users require excellent utilities and ideally clear height of 17 to 18 feet, BMR has been successful retrofitting buildings such as the Sun campus with 13 foot to 15 ½ foot ceiling heights. The Sun Campus also has entitlements for an additional 400,000 of office/R&D development. BMR has indicated its intention to market the campus to life science users. Locally active brokers believe BMR can lease up the facility within 24 months.

Though the Sun Campus is a positive addition to the life science cluster, it indicates that Fremont has competition locally for biotechnology jobs. To remain competitive, Fremont must continue to offer the advantages sought by these firms including the availability of development sites and streamlined permitting for new and expanding businesses.

3.7.1 Scenario 1: General Plan and Zoning Buildout

This scenario allows residential and agricultural uses on the Patterson Ranch property and restricted industrial uses (including office and R&D uses) on the Cargill Salt property. Based on estimates from the owners of the Cargill Salt property, this scenario would add approximately 45 developable acres to the Ardenwood Business Park area with a total development potential of 900,000 square feet. The availability of a contiguous 45 acre development site may allow Fremont to attract a campus user in life sciences or even a high tech company willing to "cross the bridge" for a campus opportunity. Regardless of the campus opportunity, 45 acres or 900,000 square feet of development adds significantly to the inventory of available development sites to the Ardenwood area. This represents an approximately 20 percent increase in the total land area of the business park and 35 percent increase over the existing developed square footage. This will aid the City in pursuing expansion of the biotech cluster.

Scenario 1 has positive fiscal and capital funding impacts, posing no burdens to the City that could affect the ability of the City to provide services to the business or development community.

3.7.2 Scenario 2: Initiative Estate Residential/Farmland Option

This scenario allows agricultural and related residential uses on the Patterson Ranch property and only open space uses on the Cargill Salt property. This scenario would limit the expansion of the Ardenwood cluster and result in greater competition from Newark for life science jobs.

Scenario 2 would have a small positive fiscal impact, but will cause a shortfall in citywide capital facility funding of approximately $6.6 million to $6.8 million. This would create further pressure on municipal finances and services and may affect the City's ability to provide services to the business or development community and maintain programs that contribute to a positive business climate.

3.7.3 Scenario 3: Initiative Residential Option

This scenario allows agricultural and residential uses on the Patterson Ranch property and only open space uses on the Cargill Salt property, requiring the donation of the land to EBRPD. As in Scenario 2, this scenario would limit the expansion of the Ardenwood cluster and result in greater competition from Newark for life science users.

Scenario 3 would have a small positive fiscal impact, but would cause a shortfall in citywide capital facility funding of approximately $4.3 million to $9 million. This would create further pressure on municipal finances and services and may affect the City's ability to provide services to the business or development community and maintain programs that contribute to a positive business climate.

3.7.4 Scenario 4: Patterson Ranch Proposal

This scenario allows residential, commercial, open space and park uses on the Patterson Ranch property and restricted industrial uses (including office and R&D uses) on the Cargill Salt property. As in Scenario 1, this scenario would add approximately 45 developable acres and 900,000 square feet to the Ardenwood area. The availability of a large site may allow Fremont to attract a "campus" user and would add significantly to the inventory of available development sites in the Ardenwood area.

Scenario 4 would have positive fiscal and capital funding impacts, posing no burdens to the City that could affect the ability of the City to provide services to the business or development community.

Table 3.7-1 Business Attraction & Retention Analysis: Summary Comparison of Scenarios

Development Scenario	Impact Criteria	
	Biotech Cluster Impacts	**Fiscal & Capital Impacts**
Scenario 1: General Plan and Zoning Buildout	Provides land for business park to grow and a potential campus site	No impact on business climate from fiscal or capital shortfalls
Scenario 2: Initiative Estate Residential/Farmland Option	May decrease the City's ability to attract large users and continue attraction of biotech/knowledge workers to Fremont	$6.6 million to $9 million capital shortfall may make it difficult for City to maintain programs that contribute to a positive business climate
Scenario 3: Initiative Residential Option	May decrease the City's ability to attract large users and continue attraction of biotech/knowledge workers to Fremont	$4.3 million to $6.8 million capital shortfall may make it difficult for City to maintain programs that contribute to a positive business climate
Scenario 4: Patterson Ranch Proposal	Provides land for business park to grow and a potential campus site	No impact on business climate from fiscal or capital shortfalls

Source: Bay Area Economics, 2006

3.8 PROVISION OF SERVICES

Each of the scenarios would have different implications for the City's ability to provide public services as determined by the need to construct new facilities or install new infrastructure. This section discusses the general qualitative effects of each scenario on the City's ability to provide adequate public services, in the context of whether the scenarios would generate demand for services and utilities in excess of that anticipated by General Plan buildout. There are currently no public utilities (water, sewer, wastewater services) extended into the Initiative Area other than water supply for irrigation purposes.

Planned improvements or expansions of public service facilities are scheduled as part of the facility planning process done by service providers. Service providers consider likely development in their determination of service expansion priorities as part of this process. Therefore, development in an area in excess of that anticipated in the General Plan would have a greater impact on service providers and service infrastructure. Conversely, development below anticipated levels would have no impact and could allow service providers to prioritize other service expansions.

Public Services and Utilities

Police

Police services are provided by the Fremont Police Department. The Police headquarters is located at 2000 Stevenson Boulevard. In 2005, the majority of crime that the department responded to was theft-related.

Fire Department /Emergency Medical (EMS)

The Fremont Fire Department provides emergency fire protection, prevention, rescue and emergency medical services for the City of Fremont. The Fremont Fire Department provides paramedic-level emergency medical services from fire engines and trucks. All firefighters are certified as Emergency Medical Technicians (EMT), and 70 firefighters are certified as Paramedics (EMT-P).

Schools

The Fremont Unified School District (FUSD) provides education services from its 29 elementary schools, 5 junior high schools, and 6 high schools. The District also has an adult school, an educational center for American Indian children, and participates in a regional occupational training program.

Recreation

As of 1995, the City of Fremont had 1,021 acres of land within its park system, comprising a variety of facilities, including sports fields, play areas and community centers. In addition to this land, Fremont owns 900 acres in Mission Peak Regional Preserve. Coyote Hills Regional Park, managed by the East Bay Regional Park District (EBRPD), is to the west of the Initiative Area. The waters to the west and south of Coyote Hills are part of the San Francisco Bay National Wildlife Refuge, operated by the U.S. Fish and Wildlife Service. Several trails in Coyote Hills Regional Park provide access to the Refuge.

Water Supply

The Initiative Area is within the boundaries of the Alameda County Water District (ACWD), which provides domestic water service to the City of Fremont. This water comes from several sources, primarily from the City's natural aquifer, the Niles Cone. The water is treated by ACWD before it is distributed. Existing water supply lines are on Paseo Padre Parkway and Ardenwood Boulevard and are 16" and 12" respectively (Patterson Ranch 2006).

Wastewater

The Union Sanitary District (USD) provides wastewater collection, treatment and disposal services to residents of Fremont, Newark, and Union City. The Alvarado Treatment Plant on Benson Road in Union City treats the wastewater for the City of Fremont and has undergone several recent upgrades. Wastewater mains that currently service the Initiative Area run along existing streets that were built in the 1980's. These mains increase in size from 10" to 18" as they travel north toward the Alvarado Treatment Plant.

Solid Waste Disposal

Allied Waste has a contract to collect solid waste and curbside recycling and compost within City limits. These materials are taken to the Tri-Cities Recycling and Disposal Facility, which provides recycling and landfill services for non-hazardous materials. The Alameda County Environmental Health Department currently operates three nearby drop-off facilities for household hazardous wastes, located in Hayward, Livermore and Oakland.

3.8.1 Scenario 1: General Plan and Zoning Buildout

Scenario 1 would allow development of 266 residential units on the Patterson Ranch property and up to 900,000 square feet of restricted industrial space on the Cargill Salt property. This would require extension of utility infrastructure into and within the Initiative Area and would increase demand for police, fire, recreation, education and solid waste services over existing conditions. These public service impacts were considered as part of the buildout anticipated in the General Plan, and any necessary additions to public service facilities are assumed to have been scheduled as part of the review of the General Plan. **Table 3.8-1** provides a brief discussion of the impacts to public service facilities under Scenario 1.

Table 3.8-1 Scenario 1: General Plan and Zoning Building

Public Service	Impacts to Provision of Services
Recreation Facilities	Development under the General Plan scenario would not directly construct, or be likely to create the need to construct any additional recreation facilities.
School Facilities	Under this scenario, residential units on the site would generate 157 students (93 elementary, 27 middle school and 37 high school). This level of student generation was anticipated by the General Plan and school facility plan. No new school facilities beyond what has already been planned would be required.
Police Services	Development under this scenario would not increase the demand for Police services or new facilities above demands anticipated in the General Plan.
Fire Department/ EMS Services	Development under this scenario would not increase the demand for Fire Department services or new facilities above demands anticipated in the General Plan.
Water Supply	Buildout under this scenario would require the extension of water mains throughout the Initiative Area, but would not require the construction of off-site supply mains beyond what has been previously planned.
Wastewater	Buildout under this scenario would require new wastewater collection mains in the Initiative Area but would not require the construction of new off-site mains beyond what has been previously planned.
Solid Waste Disposal	Development under this scenario has been anticipated in the General Plan and would not require the expansion of solid waste disposal services or facilities. Solid waste pickup services would be extended to the Initiative Area.

Source: Fremont General Plan, 1991; Impact Sciences, 2006

3.8.2 Scenario 2: Initiative Estate Residential/Farmland Option

As the lowest density scenario, Scenario 2 would have less of an impact on most public services than what has already been anticipated under the General Plan. Educational, recreational, solid waste, police and fire services would be minimally impacted as this scenario allows for only nine residential dwelling units. Wastewater services would be handled by the USD, assuming the extension of wastewater lines, or by new sanitary septic systems on each of the parcels. Additional water services could be required to provide irrigation for expanded agricultural use in the Initiative Area. **Table 3.9-2** provides a brief discussion of the impacts to public service facilities under Scenario 2.

Table 3.8-2 Scenario 2: Initiative Estate Residential/Farmland Option

Public Service	Impacts to Provision of Services
Recreation Facilities	The population generated under by residential development under this scenario would not increase the use of existing parks above what was anticipated in the General Plan, nor require the development of new parkland.
School Facilities	Under this scenario, residential units on the site would generate 5 students (3 elementary, 1 middle school and 1 high school). The new residential units would not generate student populations in excess of what was anticipated in the General Plan and would not require the construction of new school facilities.
Police Services	Development under this Scenario would not increase demand for Police services above levels anticipated in the General Plan and would not require the construction of additional police facilities.
Fire Department/ EMS Services	Development under this Scenario would not increase demand for Fire Department services above levels anticipated in the General Plan and would not require the construction of additional Fire Department facilities.
Domestic Water	Potential expansion of water mains and treatment capacity with expansion of agricultural production in the Initiative Area.
Wastewater	Buildout under this Scenario could require the extension of wastewater transmissions lines to the new residences in the Initiative Area but would not require new mains outside of the Initiative Area beyond what has already been planned.
Solid Waste Disposal	Development under this scenario is less than that anticipated in the General Plan and would not require the expansion of solid waste disposal services or facilities.

Source: Fremont General Plan, 1991; Impact Sciences, 2006.

3.8.3 Scenario 3: Initiative Residential Option

As with Scenario 2, the limited development permitted under Scenario 3 would have minimal impact on public services, as development permitted under this scenario would be less than what has been anticipated by the General Plan. Under this scenario, planned public services and utilities based on the General Plan would be adequate to serve the projected development. A 20-acre community park at the northeast corner of the intersection of Ardenwood and Paseo Padre Parkway, and the donation of 420 acres of open space west of Ardenwood Boulevard would relieve some demand for park facilities but would add a significant maintenance burden to the City. **Table 3.8-3** provides a brief discussion of the impacts to public service facilities under Scenario 3.

Table 3.8-3 Scenario 3: Initiative Residential Option

Public Service	Impacts to Provision of Services
Recreation Facilities	Under this scenario, a 20-acre community park would be constructed in the Initiative Area east of Ardenwood Boulevard. This would have a beneficial impact to existing park facilities in the City of Fremont, as it would provide additional facilities that could absorb some of the existing demand for park facilities. Additionally, the 420-acre area west of Ardenwood Boulevard would be donated as public open space additional recreation areas. However, the City would bear the maintenance burden associated with these facilities.
School Facilities	Under this scenario, residential units on the site would generate 59 students (35 elementary, 10 middle school and 14 high school). Development under this scenario would not require the construction of new school facilities as projected student generation would be less than that anticipated by the General Plan.
Police Services	Development under this scenario would not increase demand for Police services above levels anticipated in the General Plan and would not require the construction of additional police facilities.
Fire Department/ EMS Services	Development under this scenario would not increase demand for Fire Department services above levels anticipated in the General Plan and would not require the construction of additional Fire Department facilities.
Domestic Water	Development under this scenario would require the extension of new water mains into the Initiative Area to supply water to the new residential units east of Ardenwood Boulevard. New off-site infrastructure would not be anticipated to be needed, as the development allowed under this scenario would be less than that anticipated in the General Plan.
Wastewater	Buildout under this scenario would require the extension of new wastewater mains into the Initiative Area to supply wastewater services to the new residential units east of Ardenwood Boulevard. New off-site infrastructure would not be required to provide wastewater service to the Initiative Area, as the development allowed under this scenario would be less than that anticipated in the General Plan.
Solid Waste Disposal	Development under this scenario is less than that anticipated in the General Plan and would not require the expansion of solid waste disposal services or facilities. Solid waste pickup services would be extended to the Initiative Area.

Source: Fremont General Plan, 1991; Impact Sciences 2006

3.8.4 Scenario 4: Patterson Ranch Proposal

The Patterson Ranch Proposal would develop a higher intensity of use than was anticipated under the General Plan. Since this development scenario allows for the highest-density development, it would generally require a greater need for public services than the other development scenarios. The exception is the need for recreational facilities because development under this Scenario designates approximately 297 acres of land for public open space and parks, which would have a beneficial impact by reducing demand on existing facilities. **Table 3.8-4** provides a brief discussion of the impacts to public service facilities under Scenario 4.

Table 3.8.4 Scenario 4: Patterson Ranch Proposal

Public Service	Impacts to Provision of Services
Recreation Facilities	Development under this scenario would result in the donation of 245.9 acres of open space to the EBRPD as an addition to the Coyote Hills Regional Park. In addition, development under this scenario would create a 38-acre community park and 13.1 acres of other public parks. Therefore, development under Scenario 4 would have a beneficial impact to recreational facilities. However, the City would bear the maintenance burden associated with these facilities.
School Facilities	Under this scenario, residential units in the Initiative Area would generate approximately 574 new students (226 elementary, 134 middle school and 214 high school). A 6.9 acre elementary school site is planned that would partially offset the increase in student enrollment under this scenario. The developer would be required to pay school impact fees for any impacts not met by the elementary school.
Police Services	Development under Scenario 4 would increase the need for Police services above anticipated levels and could require construction of additional police facilities.
Fire Department EMS Services	Development under Scenario 4 would increase the need for Fire Department services above anticipated levels and could require the construction of additional Fire Department facilities.
Domestic Water	Buildout under this scenario could require the expansion of domestic water mains and treatment capacity to provide service to the 800 households and 9,000 square feet of commercial space proposed on the Patterson Ranch property. Water for new community facilities and parkland proposed in the Initiative Area under Scenario 4 was not considered in the General Plan and could require additional expansions to supply and treatment capacity.
Wastewater	Buildout under this scenario could require the expansion of domestic wastewater mains and treatment capacity to provide service to the 800 households and 9,000 square feet of commercial space proposed on the Patterson Ranch property. Wastewater service for new community facilities proposed in the Initiative Area under Scenario 4 was not considered in the General Plan and could require additional expansions to supply and treatment capacity.
Solid Waste Disposal	Development under the Patterson Ranch scenario is not anticipated to create a need for a new solid waste disposal system. Solid waste pickup services would be extended to the Initiative Area.

Source: Fremont General Plan, 1991; Impact Sciences, 2006 ; Patterson Ranch Project Description, 2006

3.8.5 Summary Comparison of Provision of Services Impacts

Scenarios 1 and 3 would not generate demands for any of the public services above what has been anticipated in the General Plan and by the service providers. Under Scenario 3, 20 acres of parkland and 420 acres of open space would be donated, potentially reducing demands on existing park facilities. Under Scenario 2, it is possible additional water service would be required if agricultural uses on the site are water intensive crop or animal operations. However, Scenario 2 would place few demands on other public services and could allow public service providers to prioritize other service upgrades. Scenario 4, the Patterson Ranch proposal, would place the greatest demands on service providers and could require the expansion of some facilities. School impacts would be met by the proposed construction of an elementary school and payment of any required school impact fees. Under Scenario 4, a substantial amount of public parkland and open space would be donated, which could offset the projected increase in population and reduce any demands on other park facilities. **Table 3.8-5** presents a comparative summary of the provision of service impacts of the four scenarios.

Table 3.8-5 Provision of Service Impacts: Summary Comparison of Scenarios

Development Scenario	Impact Criteria	
	Development Consistency with General Plan Buildout and Server Provider Assumptions	**Generate Unanticipated Demand or Unplanned Facility/Infrastructure Expansions**
Scenario 1: General Plan and Zoning Buildout	**Substantial**. Scenario represents what is allowed by General Plan and zoning.	**None**. Anticipated by General Plan.
Scenario 2: Initiative Estate Residential/Farmland Option	**Minimal**. Scenario would allow small amount of residential, with predominantly agricultural. Similar to existing conditions. Potential for additional water demand for agriculture.	**Minimal**. Increased water demand to serve agricultural.
Scenario 3: Initiative Residential Option	**Moderate**. Scenario would allow larger amount of residential (although less than General Plan) and provide substantial additional recreational space. Demands for more services would be less than General Plan assumptions.	**None**. Less than Anticipated by General Plan.
Scenario 4: Patterson Ranch Proposal	**Minimal**. Moderate increase in demands for all public services except recreation services over those anticipated by General Plan. Scenario provides substantial new recreation and open space areas and new elementary school.	**Substantial**. Because of the higher density residential, commercial, and spiritual facilities, additional demands above those anticipated by General Plan for schools, Police, Fire and EMS services, domestic water, and wastewater.

Source: Impact Sciences, 2006

4.0 REPORT PREPARATION

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ATTACHMENT A

Fiscal Analysis
Bay Area Economics

bae

Northern Plain Planning Area Initiative Fiscal Analysis

Prepared For:
City of Fremont

Prepared By:
Bay Area Economics

June 2006

bae

Northern Plain Planning Area Open Space Initiative Evaluation
TABLE OF CONTENTS

NORTHERN PLAIN PLANNING AREA INITIATIVE

FISCAL ANALYSIS

A. INTRODUCTION

In accordance with California Elections Code Section 9212, this report provides the City of Fremont City Council with requested information on the "Northern Plain Planning Area Initiative" (The Initiative); a measure that will be put before the voters to amend the City's General Plan and limit development and ancillary uses in the Patterson Ranch area.

1. Report Organization

This section of the report analyzes development allowable under the Initiative examining the following issues:

- Fiscal impact of the development scenarios on the City General Fund.
- Capital funding impacts of the development scenarios on the East Bay Regional Park District and the Fremont Unified School District.
- The impact of the development scenarios on the City's existing capital facilities planning for parks, fire, public and transportation facilities.
- The development scenarios effect on existing businesses and attraction of new business.

In order to analyze the ongoing fiscal impacts and one-time capital expenditures, Bay Area Economics (BAE) created a fiscal model consisting of a series of inter-linked Excel spreadsheets that, based on certain assumptions, project the magnitude of increased City of Fremont General Fund service costs and offsetting General Fund revenues that can be expected as a result of the Initiative. This analysis is intended to estimate the fiscal impacts of the Initiative (including the base and density bonus scenarios) as well as the development proposed by the Patterson Ranch property owners. The model provides quantitative analysis of the Initiative development at full land use buildout.[1] Wherever possible, qualitative information regarding the timing of municipal expenditures has been provided.

The balance of the Introduction discusses the methodology of the fiscal impact model. Sections on General Fund expenditures and revenues follow. Where appropriate, the discussion of expenditures includes both ongoing fiscal expenditures and one-time capital spending. Following the analysis of the City General Fund, the report presents sections devoted to the capital cost projections of East Bay Regional Park District and Fremont Unified School District infrastructure needs. Finally, the report addresses the Initiative's potential affect on existing businesses and attraction of new business.

2. Fiscal Impact Methodology

a. General Fund Expenditures and Revenues. The fiscal impact model focuses on the various cost and revenue items that make up the City of Fremont General Fund. The General Fund is the portion of the City budget used to finance most of the City's basic municipal services, such as police and fire protection, human services, transportation and operations, and overall City management and administration. To support these ongoing services, the General Fund balance is dependent on various revenue sources, such as the City's share of property taxes, sales taxes, various local taxes, and revenues allocated by the State of California.

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[1] Full land use buildout is when all development has been completed per the allowed zoning, or based on the expected completed development using the project proponent's buildout scenario.

This analysis is based primarily on current conditions in regard to service cost levels and municipal revenues. In light of the State of California's ongoing budget crisis, municipal revenue/funding has changed dramatically in recent years and is likely to change further within the buildout horizon of the Initiative. The revenue portion of the fiscal model mirrors the current changes to State revenue allocation that under current law will be in place during the development period of the project (certain measures such as ERAF III are scheduled to sunset before the Initiative can be implemented). Several revenue sources that flow from the State have been altered to mirror the recent changes. Please also note that unless otherwise stated, new facilities or infrastructure required under each scenario have been assumed to be paid for by development fees or exactions (when in line with the City of Fremont's existing policies and practices) and therefore this fiscal analysis does not include debt service for new facilities to serve the Initiative development. See Section C for an analysis of the development scenarios' impact on capital facilities.

b. **Fiscal Model Assumptions.** The Initiative provides limited guidance regarding the fiscal implications of Initiative development. In this analysis, BAE used the following guiding principals to determine fiscal costs and revenues and allocating these costs:

- Federal & State laws
- Initiative requirements
- Local (City of Fremont) ordinances
- Standard City of Fremont practice
- Standard industry practice for development and fiscal analysis
- Reasonable assumptions

In analyzing the Initiative and the development scenarios, it is assumed that no other discretionary changes are made in the General Plan (*i.e.* the General Plan is not amended to change allowable development in other parts of the City).

c. **Initiative Development Program**. A key component of the fiscal impact model is the "development program" which specifies the proposed quantity of new development, by land use type in each of the land use scenarios analyzed. For purposes of this Section 9212 analysis, four development scenarios have been analyzed. The development programs of the development scenarios contained in Table 1 of the fiscal impact model drive the projections of both future costs and revenues. The development scenarios include:

- **Existing General Plan and Zoning Scenario 1**: The existing general plan calls for 261 low-density residential units with an average density one dwelling unit per acre plus the continuation of five parcels as large agriculture lots with a single residence. In addition, the Cargill property would be developed for limited industrial with a development potential of approximately 900,000 square feet.[2]
- **Initiative Farmland Scenario 2**: Re-designation of Patterson Ranch and Cargill Property to Private Open Space with the opportunity for nine small farms with a typical density of one unit per 80 acres.
- **Initiative Residential Scenario 3**: Through the donation of land west of Ardenwood Blvd. as permanent open space, 100 housing units would be allowed on the eastern side of Ardenwood Blvd.

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[2] Initial site analysis indicates wetlands constraints on the Cargill property which limits development to approximately 900,000 square feet versus the maximum allowable of 1.4 million square feet.

- **Patterson Ranch Proposal Scenario 4:** The development proposal calls for 800 new housing units primarily on the east side of Ardenwood Blvd. with 40,000 square of integrated church and commercial, plus 900,000 new limited industrial square feet at the Cargill property.

As shown in Table 1, Scenario 1 generates 266 housing units and 900,000 square feet of industrial space, Scenario 2 generates approximately nine housing units, Scenario 3 generates approximately 100 housing units, and Scenario 4 generates 800 housing units, 40,000 square feet of commercial space, and 900,000 square feet of industrial space. A more detailed description of the development scenarios is available in Impact Sciences summary report.

There are specific development details the fiscal analysis must use to determine assessed values and service population estimates. In this case, the fiscal analysis assumes small farm estates for Initiative Farmland Scenario and large lot residential units under the General Plan & Zoning and Initiative Residential Scenarios.. The analysis also assumes the Patterson Ranch Proposal Scenario will provide a mix of large single-family units on 4,000 square foot to 6,000 square foot lots varying from 2,000 square feet to 3,500 square feet of living area and medium sized townhouses and stacked flats averaging 1,500 square feet of living area. These square foot estimates are based on new homes selling in the area.[3] It is assumed developments within the Existing General Plan and Initiative Scenarios will pay the inclusionary in-lieu, which is allowable for residential projects with average lot sizes over 10,000 square feet.[4]

d. Service Population. In each scenario, the City will experience an increase in the number of people within the Patterson Ranch and Cargill properties. The increase in the local employee and residential population impacts city service demand and corresponding costs. The increase in the population also brings in more City revenues. To estimate the growth in the local population, the fiscal analysis uses existing General Plan assumptions of average household sizes and employment densities by land use detailed in the City's Land Use Element. The household density calculations are based on the Associated of Bay Area Government's (ABAG) projected average household size in Fremont of 3.17 persons per household. The fiscal analysis also uses employment density assumptions to determine the number of job generated at buildout for each of the development scenarios.[5]

The estimated number of project residents and private employees is then used to estimate the project's overall "service population." The fiscal impact model uses the service population as an indicator of the relative demand a project will create for certain City services or basis for estimating certain City revenue sources. Unless otherwise noted, the service population is defined as 100 percent of project residents plus 50 percent of project employees, and is intended to account for the fact that local employment contribute to the City's daytime population. Counting local workers as equivalent to one-half of a resident is a commonly accepted practice in fiscal impact analysis to reflect the reduced demand for services created by workers as opposed to residents. Service population is primarily used in this model to estimate revenues from various City taxes and intergovernmental transfers that are generated from residents and businesses.

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[3] See Appendix A

[4] City of Fremont Community Development Department, June, 2006.

[5] The employment density assumptions use the City of Fremont's development impact fee nexus studies completed in 2002, which assume 350 research and development square feet per employee. The analysis also uses the Land Use Element to determine commercial employment densities, which is estimated at 26.1 employees per acre.

Service Population Projections

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Number of Residents	843	29	317	2,536
Number of Employees	4,146	0	0	4,337
Service Population	**2,916**	**29**	**317**	**4,704**

See Table 1 for detailed analysis.

e. **Ongoing Operations and Maintenance vs. Capital Improvements**. The fiscal impact model deals separately with changes in the City's capital improvement budget and the revenue available to support capital improvements, such as construction of new roadways and utility infrastructure. This is because in Fremont, as in most other California cities, it is expected that new development will pay for the capital facilities it requires up-front through participation in existing improvement districts, construction of facilities, as well as payment of mandated impact fees. After the new capital facilities are constructed the City is confronted with the real fiscal impacts of new development that are related to supporting the on-going operations and maintenance of those facilities.

f. **Approach to Expenditure Projections**. For simplicity, the fiscal impact model relies primarily on variations of the average cost method to calculate several of the increased public service costs. Generally, these methods involve the calculation of cost multipliers by dividing current expenditures by existing service units (e.g., current economic development expenditures divided by existing service population equals average cost per capita). To project the increase in costs, the resulting cost multiplier is then applied to an estimate of the increased service population attributed to the proposed project.

The trade-off that comes with the simplicity of average cost methods is a lack of sensitivity to the specific circumstances surrounding the expansion of public services. For example, calculating an average per capita cost for existing services and applying it to the projected increase in service population would not be sensitive to the fact that circumstances unique to the proposed project might dictate that actual costs are lower or higher on a per capita basis than existing costs. To reduce the weakness of average cost approaches, the analysis uses the most direct possible method to determine the quantity of new service units.

Ideally, all direct costs would be estimated on a marginal cost basis. This involves a detailed analysis of the existing service capacity, the new services demanded, and the actual personnel, facilities, and equipment necessary to provide the services. This can be a difficult and time consuming process, rendering this technique impractical for many cost items included in this analysis. In this analysis, the Police Department costs were analyzed using both an average cost analysis and on a marginal cost basis by developing an operational/staffing plan for providing service to the development scenarios. Transportation and Operations Department costs uses average street maintenance cost estimates based on the increase in public right of way and other Transportation and Operations costs are based on the growth in the service population. Finally, the Parks and Recreation Department cost estimates use the most recent park maintenance cost estimates multiplied by each scenario's projected park land to determine park costs borne to the department for each scenario. More explanation of the fiscal analysis methodology for each department is available in Section B of this report.

Table 1: Development Programs and Service Population Calculations

Land Use Assumptions

Land Use (Acres)	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Residential	287	0	80.5	112.3
Agricultural	0	387 (a)	0	0
Industrial	45	0	0 (b)	45 (b)
Donated Open Space	141	0	420 (c)	245.9
Community & Neighborhood Parks	0	0	20	51
Commercial - Retail	0	0	0	6.9

Development Program Assumptions

	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Agriculture Residential Parcels	**5**	**9**	**0**	**0**
Residential (d) (Units)				
Large Lot Single-Family (e)	261	0	100	0
Traditional Single Family Detached	0	0	0	473
For Sale Multifamily (f)	0	0	0	207
Inclusionary Units	0	0	0	120
Total Residential Units	**266**	**9**	**100**	**800**
Commercial (Sq. Ft.)	0	0	0	40,000
Church (g) (Sq. Ft.)	0	0	0	20,000
Industrial (h) (Sq. Ft.)	900,000	0	0	900,000

Service Population Assumptions

Service Population	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Number of Residents	843	29	317	2,536
Number of Employees	2,571	0	0	2,762
Service Population (i)	2,129	29	317	3,917
Required Parkland Standard (j)	4.22	0.14	1.59	12.68

Notes:

(a) Assumes rural densities of one dwelling unit per 80 acres. Existing parcels with higher densities are grandfathered into the new lower density zoning. After expected subdivision of the larger parcels, there will be approximately nine total units, anticipated to be independent farms. The City refers to these densities as "Private Open Space".

(b) Acreage estimates are based on existing site analysis of the Cargill Property. Assumes an average research and development employment density of 350 square feet per employee.

(c) Assumes continuation of the open space easement on the southwest portion of the Patterson Ranch property.

(d) Assumes City of Fremont Land Use Element household size assumptions of 3.17 persons per unit.

(e) Assumes large lots from 20,000 square feet to over one acre.

(f) Multifamily units include townhouse, stacked flats, and/or condominiums.

(g) Assumes FAR of 0.20 and an average employment density of one per 1,000 square feet.

(h) Assumes an FAR of approximatley 0.35 and an average employment density of 350 square feet per employee.

(i) The service population is defined as all new residents and one half of the total projected employees at buildout.

(j) The "Required Park Land Standard" is a calculation of the City required parkland to support the estimated population at five park acres per 1,000 residents.

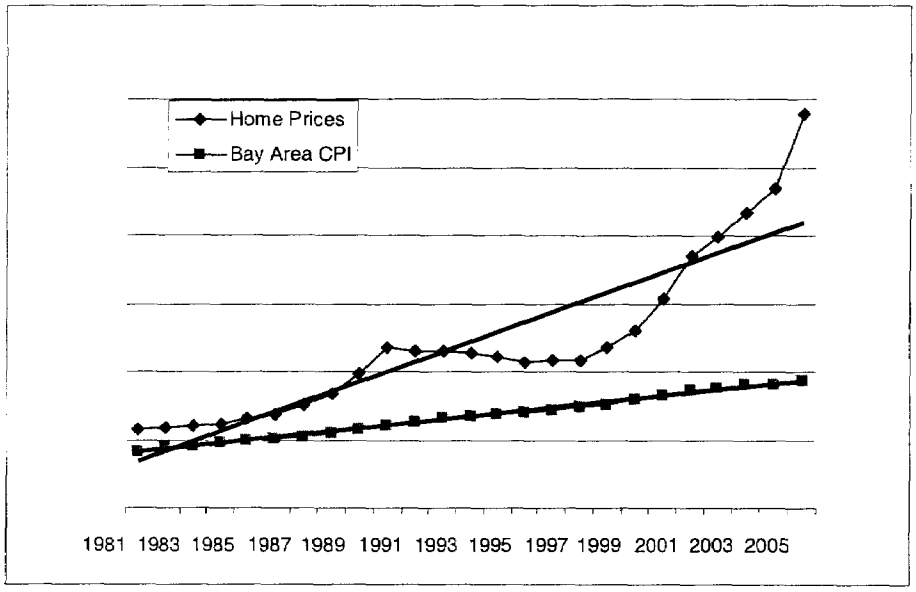
Sources: City of Fremont General Plan, June, 2003; City of Fremont Community Development Department, May, 2006, BAE, 2006

g. **Approach to Revenue Projections**. This analysis uses a number of different techniques to estimate increased revenues. The activities of many City departments generate program revenues, primarily through fees collected from people who use the services. Where increased expenditures are projected on an average per capita, or per service population basis, program revenues are typically subtracted from expenditures to identify the net cost to the City General Fund to provide the service. The net cost figure is then used to calculate the average cost of providing that service per service unit. The assumption in using this net per service unit cost to project future costs is that the current cost recovery ratios will prevail when extending services to new development. Therefore, program revenues are not included in the revenue projection tables.

After accounting for various program revenues through the "net service cost" methodology, there are still a number of General Fund revenue items which the fiscal impact model must project in a more direct manner, including such major revenues sources as property taxes and property transfer taxes, sales taxes, franchise fees, and motor vehicle in-lieu fees. As with the service cost estimates, the direct revenue estimates are driven primarily by the scenario development programs. Each General Fund revenue item has been analyzed with respect to its potential to respond to changes in the quantity of development occurring in each development scenario. Projections for a large number of revenue items rely on per capita, per employee, or per service population calculations, depending on which groups are associated with particular revenue sources. Other projections are more specialized, such as those for property tax revenues. Sales tax projections are based on retail and non-retail per capita and per job sales tax estimates for the City of Fremont. More detailed information regarding revenue projection techniques and assumptions is provided below in the section of this report regarding the specific methodologies and assumptions required to project changes in individual revenue sources.

h. **Cost and Revenue Inflation**. This analysis has been performed on a current dollar basis. Cost and revenue inflation has been assumed to be the same, and therefore inflation increases have not been factored into the model. This assumption is somewhat problematic when estimating property tax projections due to the two percent annual Proposition 13 cap on increasing assessed value of properties that have not been sold and therefore property tax revenue. The two percent cap may result in assessed valuations that lag behind cost inflation rates in the future. In this model, property tax revenues have not been adjusted in order to account for the potential lag behind real estate appreciation and cost inflation. Because of this lag, property taxes may be overstated in this model. However the model also does not account for real property appreciation above the Bay Area's inflation rate. According to the National Housing Price Index prepared by the Office of Federal Housing Enterprise Oversight, East Bay home values have appreciated at an annualized rate of 6.5 percent from 1981 to 2005. This represents a rate of approximately 3.5 percent above the Bay Area's inflation rate (see Figure 1). This higher rate of appreciation has a countervailing affect on estimates of property tax revenues vis-à-vis expected Proposition 13 lag.

Figure 1: Home Price Inflation versus Overall Inflation



B. City Expenditure Projections

1. Police Department

The Fremont Police Department has a staff of approximately 284 full-time equivalent positions with headquarters located at 2000 Stevenson Boulevard adjacent to the Fremont Central Park. The Police Department has four major work units: Community Policing Patrol Team, Traffic Unit, Investigative Services, and Animal Services. Police Department operations represent the single largest expenditure in the City's General Fund, accounting for 37 percent of General Fund expenditures and transfers out with a proposed budget of approximately $50 million for fiscal year 2006/07. In each scenario, the Department does not anticipate fiscal impacts that would require major facility or operation changes. Rather, based on conversations with Police Department business operations staff, the Department expects an incremental increase in costs generated from an increase in the service population within the Initiative area.[6]

a. **Police Staffing Estimates.** Fremont Police Department staff have developed a preliminary staffing plan needed to serve the proposed project and other police services to serve cumulative demand within the Initiative area. The Police Department uses an overall standard of one officer per 220 housing units. The Police Department further adjusted its expected staffing levels after evaluating the commercial and industrial components of the General Plan and Patterson Ranch Proposal Scenarios. As shown in Table 2, the Police Department anticipates the General Plan & Zoning Scenario will generate one police officer and one community service officer. In Fiscal Year 2006/07, the average cost per police officer is approximately $140,000 a year and the average cost per community service officer is $85,000 per year. This includes salary, benefits, overtime, and operation costs (e.g. gas, equipment, annual training, etc.). These average cost estimates are adjusted by 13 percent to reflect overhead costs, such as administration and management. The fiscal analysis subtracts outside grants (2 percent of the overall budget) to obtain the net cost to the City's General Fund by scenario.

b. **Police Department Costs.** The projected increase in police officers and community service officers under the General Plan & Zoning Scenario 1 results in approximately $250,000 per year in increased Police Department cost. The Initiative Farmland Scenario 2 will generate zero increase in policing costs as the Initiative area will remain relatively unchanged while the Initiative Residential Scenario 3 will increase policing demand by one half of a police officer. The Patterson Ranch Proposal Scenario will generate the most significant increase in policing costs, adding 3.5 police officers, one community service officers, and another patrol vehicle with corresponding equipment. Below is an estimate of policing costs by scenario.

Police Department Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Police Officers	1.0	0	0.5	3.5
Community Service Officers	1.0	0	0	1.0
Total Costs	**$249,949**	**$0**	**$77,768**	**$688,621**

See Table 2 for detailed analysis.

[6] Fremont Police Department, June, 2006.

Table 2: Police Department Costs

Police Cost Assumptions

Police Department Costs (Salary and Benefit Estimated for Fiscal Year 2006/07)		
Cost per Police Officer	$	140,450
Cost per Community Service Officer	$	85,256
One Patrol Vehicle and Auxiliary Equipment	$	45,000
Overhead		13%
Department Revenue (of total budget)		2%

Police Alternative Costs Analysis

New Service Cost Associated with Development Alternatives	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Net New Service Population (a)	2,129	29	317	3,917
Additional Police Department Needs				
Police Officers (b)	1.0	-	0.5	3.5
Community Service Officer	1.0	-	-	1.0
Officer Annual Costs	$225,706	$0	$70,225	$576,831
Vehicle	$0	$0	$0	$45,000
Subtotal	*$225,708*	*$0*	*$70,226*	*$621,836*
Overhead	$29,342	$0	$9,129	$80,839
Less Departmental Revenue (c)	-$5,101	$0	-$1,587	-$14,053
Total Police Department Costs	**$249,949**	**$0**	**$77,768**	**$688,621**

Notes:

(a) Service population estimates are based on 2006 population and employment estimates.

(b) Police officer estimates originate from the department's calculation based on the expected service population and development program.

(c) Department revenues include grant funds which reduce the overall cost to the City's General Fund.

(d) The General Plan requires 1.5 sworn offices and 0.5 community service officers per 1,000 persons served. Depending on the hiring threshold, the per service population cost can vary significantly. Thus, this analysis uses the current cost per service population to estimate the fiscal impacts of the proposed project.

Sources: Fremont Police Department, Business Services, June, 2006; City of Fremont Budget, FY 2006/07; BAE, 2006.

2. Fire Department

The City of Fremont Fire Department operates ten fire stations and has a budget of approximately $28 million in Fiscal Year 2006/07 with approximately 153 full-time staff. In 2005, the Fire Department responded to approximately 14,000 calls for service, an increase of 5.5 percent from the previous year. The closest Fremont fire station to the Initiative area is Station 10 on Deep Creek Rd., approximately one mile from the Ardenwood Blvd. and Paseo Padre Pkwy. intersection. In addition, the intersection of Ardenwood Blvd. and Paseo Padre Pkwy. is approximately 0.5 miles from the Union City Fire Station 4 at 3500 Eastin Court, directly west of the Union City - Fremont Border at Ardenwood Blvd. The Fremont Fire Department and the Union City Fire Department have a mutual aid agreement to respond to calls within each jurisdiction.

a. Fire Department Service Requirements. The City of Fremont has service delivery standards that require 90 percent of the city to be within four and a half travel minutes of a fire station for first-due medical and small fire coverage. As a cost savings measure, the Fire Department currently institutes service "brown-outs" that temporarily close fire stations when fire staff exceed certain overtime thresholds. These brown-outs are rotated through lower traffic stations, which generally result in temporary closures at Station 8 and Station 10. Under current brown-out conditions, the Initiative area is significantly more at-risk of response times exceeding ten minutes, well below the Department's fire response time standard.

The Fire Department stated the brown-outs could be eliminated if the City were able to fund one additional battalion.[7] Based on current average costs, one battalion (or the personnel costs associated with overtime equivalent to a battalion) would costs approximately $440,000 per year plus administration. For purposes of determining increased fire prevent service costs, this analysis assumes the City General Fund will fund the additional battalion to prevent service brown-outs. This increases the Department's total budget to $28.6 million or $27.7 million after accounting for non-general fund expenditures.

b. Fire Department Costs. While brown-out conditions represent current conditions, the analysis assumes any development within the initiative area will pay its share of total Fire Department services absent brown-out conditions. At the same time, the analysis does *not* assume that each scenario will pay the total cost to rectify an existing citywide service shortfall; but rather, it will pay its share of the total costs assuming the higher fire service standard. To determine Fire Department costs under each scenario, the analysis uses an average costs estimate. The result is an average service population cost of approximately $107. Table 3 applies the average cost based on the projected increases in service populations by scenario.

Fire Department Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Service Population	2,129	29	317	3,917
Cost Per Service Population	$107	$107	$107	$107
Fire Department Costs	**$227,703**	**$3,051**	**$33,905**	**$418,922**

See Table 3 for detailed analysis

In addition to annual costs, the Fire Department will also experience one-time fire training and material costs of approximately $250,000. These costs will not be captured under the current development impact fee program and will likely result in a one-time General Fund expenditure.

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[7] A battalion includes a fire fighter, a fire engineer, and a fire captain.

Table 3: Fire Department Costs

Fire Cost Assumptions

Current Service Standards	2006-07
Fire Department Costs (a)	$28,064,000
Additional Cost to Prevent Fire Service Brown-Outs (b)	
New Fire Battalion	$440,000
Administration (15% of Total Costs) (c)	$66,000
Total Fire Department Cost without Brown-Outs	**$28,570,000**
Less Special Funds (d)	
Alameda County Emergency Medical Services Contract	($561,280)
Grants	($280,640)
Net Fire Costs without Brown-Outs	**$27,728,080**
Total Service Population	259,247
Fire Service Costs per Service Population	**$107**

Fire Department Cost Alternative Analysis

New Fire Department Costs	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Net New Service Population	2,129	29	317	3,917
Service Cost Per Service Population	$107	$107	$107	$107
Total Fire Service Costs	**$227,703**	**$3,051**	**$33,905**	**$418,922**

Notes:

(a) Fire Department cost in Fiscal Year 2006/07 before accounting for eliminating rolling brown-outs.

(b) The Fire Department estimates the Department would need one battalion to prevent rolling blackouts. According to Business Services, the average annual personnel cost to the Department is approximately $440,000 for a fire fighter, a fire engineer, and a fire captain.

(c) Based on the current Fire Department's administration costs as a percentage of the total budget.

Sources: City of Fremont General Plan, June, 2003; City of Fremont Community Development Department, May, 2006, BAE, 2006

3. Parks and Recreation Department

The Parks and Recreation Department maintains over 1,000 acres of parkland and provides leisure activities from its Recreation Division to Fremont's 210,000 residents. The Parks and Recreation Department has a 2006/07 budget of approximately $11.5 million with approximately 35 percent generated from non-general fund revenues. The Department staffs approximately 67 full-time equivalent employees, of which 34 are employed in Park Maintenance.

Recently, the Department completed an analysis of park maintenance and capital costs.[8] The fiscal analysis uses the average maintenance cost per park acre estimates to calculate future park maintenance costs under each scenario. In addition, the fiscal analysis calculates the average recreation cost per resident to determine the increase in recreation costs.

a. **Park Maintenance Costs.** Park maintenance costs range from approximately $6,100 an acre per year for citywide parks to $10,100 an acre per year for mini-parks. These per acre estimates are used to determine annual park maintenance costs by scenario. The City has a park standard of five acres of park land per 1,000 residents. Thus, the fiscal analysis assumes each scenario will create some additional park space, either directly through land dedication and park development, or by paying a park development impact fee. Also, the fiscal analysis uses the scenario's park development program if the given scenario specifically calls for more park land than required by the City. In the case of the Patterson Ranch Proposal, the scenario would create approximately 38 acres of citywide park land and 13 acres of neighborhood park land, well above the City's standard. The Initiative Residential Scenario would result in a higher standard, adding 20 acres of citywide park.

Park Maintenance Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Citywide Park Acres	4.22	0.14	20	38
Cost Per Acre of Citywide Park	$6,141	$6,141	$6,141	$6,141
Neighborhood Park Acres	0	0	0	13
Cost Per Acre Neighborhood Park	$5,790	$5,790	$5,790	$5,790
Maintenance Costs	**$25,891**	**$876**	**$122,820**	**$309,207**

See Table 4 for detailed analysis.

b. **Recreation Costs.** The fiscal analysis uses an average cost multiplier to determine recreation costs. First, non-general fund revenues, such as program revenues, are subtracted from the Recreation Division's total allotted budget. Second, the net recreation costs are divided by the total residents to determine the average recreation costs per resident. In the case of recreation costs, the analysis assumes residents only and not employees, as residents are considered the primary users and recipients of recreation services. Accordingly, the average recreation cost is approximately $12 per resident. This results in only nominal impacts to the City's General Fund with an estimated Recreation cost of approximately $30,000 per year under the Patterson Ranch Proposal to as little as $300 a year under the Initiative Farmland Scenario.

c. **Total Parks and Recreation Costs.** To find the total Parks and Recreation costs, the analysis combines the projected park maintenance costs with the estimated recreation costs. As shown in Table 4, the total Parks and Recreation Costs vary significantly by scenario, ranging from approximately $1,200 a

[8] *Comprehensive Park Report*, Parks and Recreation Department, March 2006.

year under the Initiative Farmland Scenario 2 to $340,000 per year under the Patterson Ranch Proposal Scenario 4.

Total Parks and Recreation Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Parks & Recreation Costs	$35,764	$1,210	$126,532	$338,901

See Table 4 for detailed analysis.

4. Human Services

The Human Services Department provides a continuum of services for Fremont youth, seniors and families designed to assist them in becoming more self-reliant. The Department manages the Family Resource Center, administers the Community Development Block Grant program, and offers a host of community support services for local residents. Its primary service population is low- and moderate-income persons living in Fremont. The Human Services Department staffs approximately 44 full-time equivalent employees and has an annual budget of approximately $11.3 million in fiscal year 2006/07, of which $3.3 originates from the City's General Fund. The remaining expenditures are recaptured through grants and program revenues.

a. Human Services Costs. To estimate the increase in Human Services costs to the General Fund, the fiscal analysis determined the per resident costs. The analysis does not include employees as part of the Human Services' service population as the Department primarily serves Fremont residents. In other words, an increase in local employment is not expected to significantly increase service demand.

As shown in Table 5, $3.28 million of Human Service expenditures originate from the City's General Fund. By dividing by the City's total population, the analysis can determine the average Human Services costs borne to the General Fund ($16 per resident). The analysis can then determine the increase in Human Services costs by multiplying the per resident costs by the projected increase in residents under each scenario. Similar to the Parks and Recreation Department, costs vary significantly by scenario with Initiative Farmland Scenario 2 generating less than $500 per year in additional Human Services costs compared to $40,000 per year in Human Services costs under the Patterson Ranch Proposal Scenario 4. Still, the Patterson Ranch Proposal projected Human Services costs represent only a nominal increase in Department overall expenditures, accounting for approximately 1 percent of total General Fund expenditures within the Department.

Total Human Services Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Human Services Costs	$13,150	$445	$4,995	$39,549

See Table 5 for detailed analysis.

Table 4: Parks and Recreation Department Costs

Park and Recreation Cost Assumptions

Current Recreation Costs	2006-07	
Recreation	$6,475,569	
Less: Offsetting Revenue (a)	($4,014,853)	
Total Recreational Costs	$2,460,716	
Residents	$210,158	$0.22
Recreation Costs Per Resident	**$12**	
		$11,548,369
Park Maintenance Costs (b)		
Citywide Parks Costs Per Acre	$6,141	
Neighborhood Park Costs Per Acre	$5,790	
Mini Park Costs Per Acre	$10,140	

Park and Recreation Alternative Cost Analysis

New Parks and Recreation Costs	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Recreation Costs Per Resident	$12	$12	$12	$12
New Residents	843	29	317	2,536
New Recreation Costs	**$9,873**	**$334**	**$3,712**	**$29,694**
Cost Per Citywide Park Per Acre	$6,141	$6,141	$6,141	$6,141
Citywide Park (c)	4.22	0.14	20	38
Cost Per Neighborhood Park Per Acre	$5,790	$5,790	$5,790	$5,790
Neighborhood Park	0	0	0	13
New Park Maintenance Costs	**$25,891**	**$876**	**$122,820**	**$309,207**
Total Parks and Recreation Costs	**$35,764**	**$1,210**	**$126,532**	**$338,901**

Notes:

(a) Offsetting revenues include recreation fees and other program revenues recouped by the Department, and Recreation Cost Center fund balances.

(b) Park maintenance are based on a 2005 Parks and Recreation Department analysis which determined maintenance and capital costs by park type.

(c) The parkland estimates are the greater of the required parkland or the planned dedicated parkland as assumed in each alternative's development program.

Sources: Parks and Recreation Department, City of Fremont, June, 2006; Fremont Budget 2006-07; Department of Finance, 2005; ABAG, 2005; BAE, 2006.

Table 5: Human Services

Human Services Cost Assumptions

Current Recreation Costs	2006-07
Human Services Budget	$11,301,527
Less Grants	($3,729,504)
Less Family Resource Center	($1,695,229)
Less Senior Center Revenues	($452,061)
Community Development Block Grant	($2,147,290)
Total Human Services Cost to General Fund (a)	$3,277,443
Residents	210,158
Human Services Cost Per Resident	**$16**

Human Services Costs Alternative Analysis

New Human Services Costs	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Human Service Cost Per Resident	$16	$16	$16	$16
New Residents	843	29	317	2,536
New Human Services Costs	**$13,150**	**$445**	**$4,944**	**$39,549**

Notes:

(a) *These are the total costs to the general fund after accounting for program revenues and grants.*

Sources: Fremont Budget 2006-07; Department of Finance, 2005; ABAG, 2005; BAE, 2006.

5. Transportation and Operations Department

The Transportation and Operations Department provides maintenance, traffic engineering, and environmental services to the City. This includes maintaining streets, public buildings, and other city-owned infrastructure. In fiscal year 2006/07, the Transportation and Operations Department has a proposed budget of approximately $30.1 million, 51 percent originating from the City's General Fund. The Department staffs approximately 113 full-time equivalent employees within its Environmental Services, Transportation and Engineering, and Maintenance Services Divisions. To determine increased costs to the department, the fiscal analysis separates two important functions of the Transportation and Operations:

- Street maintenance, including street cleaning, tree pruning, and signs and striping,
- And all other Transportation and Operations activities, including engineering, environmental services, and public building maintenance.

The fiscal analysis addresses these costs separately, accounting for the increase in total lane miles under Street Maintenance and the increase in the service population under all other Transportation and Operations activities.

a. **Street Maintenance Costs.** Under each development scenario, the developer would be responsible for installing needed streets, sidewalks, street lights, traffic signals, and landscaped medians for the proposed development. However, the City's Transportation and Operations Department would face additional maintenance responsibilities for such facilities in the Initiative Area.

Based on discussion with the Transportation and Operations Department, existing levels of service for street lights, traffic signals and street maintenance were deemed inadequate and did not represent the actual annual maintenance costs. As such, the Transportation and Operations Department determined street maintenance costs per lane mile based on actual estimates to maintain adequate levels of service. The Transportation and Operations Department estimates an annual cost of $9,681 per lane mile to maintain streets at basic standards, of which approximately 75 percent originates from the General Fund. Thus, the average street maintenance cost to the General Fund is $7,221 per lane mile.

The estimated cost per lane mile is then combined with estimates of increased right-of-way constructed under each scenario. The roadway estimates conservatively assume the majority of roadway will be maintained by the Transportation and Operations Department, and not by a homeowners association or an assessment district. Below summarizes annual street maintenance costs for each scenario.

Street Maintenance Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Citywide Lane Miles	10.18	0.0	2.87	10.88
Cost Per Lane Mile	$7,221	$7,221	$7,221	$7,221
Maintenance Costs	**$73,514**	**$0**	**$20,726**	**$78,569**

See Table 6 for a detailed analysis

b. **All Other Transportation and Operations Costs.** In addition to street maintenance cost, the Transportation and Operations Department will experience increase demand for environmental, engineering, and public facility maintenance as the City grows. Under each scenario, the City's service population will grow, thereby increasing overall demand for City services. The fiscal analysis uses per service population cost estimate to determine future fiscal impacts on the Transportation and Operations costs. After accounting for non-general fund revenues, the Transportation and Operations Department

Table 6: Transportation and Operations Costs

Transportation and Operations Roadway Assumptions

Current Service Standards	General Plan & Zoning	Farmland Initiative	Residential Initiative	Proposed Patterson Ranch
New Lane Miles Maintain by City (a)				
Industrial Component	1.58	-	-	1.58
Residential and Commerical Component	8.60	-	2.87	9.30
Total New Lane Miles	10.18	-	2.87	10.88
Street Maintenance Costs				
Street Sweeping	$1,299,482			
Tree Pruning	$1,306,917			
Signs & Striping	$995,925			
Other Street Maintenance	$1,441,554			
Total Steet Maintenance Costs	**$5,043,878**			
Cost Paid by the General Fund	$3,762,428			
% of Maintenance Cost to General Fund	75%			
Estimated Maintenance Cost Per Lane Mile (b)	$9,681			
Maintenance Cost to General Fund (c)	75%			
Cost to the General Fund Per Lane Mile	**$7,221**			

All Other Transportation and Operations Cost Assumptions

Total Trans. & Oper. Budget	$30,124,037
Less Non-General Fund Revenues (d)	($14,760,778)
Less Street Maintenance Cost to General Fund	($3,762,428)
All Other Trans. & Oper. General Fund Cost	**$11,600,831**
Total Service Population (e)	259,247
All Other Trans. & Oper. Per Service Pop.	**$45**

Transportation and Operation Costs Alternative Analysis

New Service and Maintenance Costs	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Cost to the General Fund Per Lane Mile	$7,221	$7,221	$7,221	$7,221
New Lane Miles	10.18	0.00	2.87	10.88
New Roadway Costs	$73,514	$0	$20,726	$78,569
All Other Trans. & Oper Cost Per Service Pop.	$45	$45	$45	$45
Increase in Service Population	2,129	29	317	3,917
All Other Trans. & Oper Cost to General Fund	$95,266	$1,277	$14,185	$175,268
Total Transportation and Operations Costs	**$168,780**	**$1,277**	**$34,911**	**$253,837**

Notes:

(a) Lane miles estimates by alternative are based on a roadway analysis completed by the Transportation and Operations Department on June, 2006.

(b) Estimated maintenance cost per lane mile is based on an analysis completed by the Transportation and Operations Department on June, 2006.

(c) Assumes road maintenance activities receive similar program revenues and gas tax funds to the department overall.

(d) Non-general funds include gas taxes, waste management, charges to projects, and other revenue.

(e) Service poplation are based on 2006 population and employment estimates.

Sources: Transportation and Operations Department, City of Fremont, June, 2006; City of Fremont Budget, Fiscal Year 2006-07; Department of Finance, 2006; ABAG, 2005; BAE, 2006.

incurs approximately $45 per service population unit in Transportation and Operation costs beyond street maintenance. Table 6 details other Transportation and Operations costs by scenario.

c. **Total Transportation and Operations Costs.** The Transportation and Operations Department costs discussed above are combined to determine total Departmental cost borne to the City's General Fund. Below is a summary of projected costs by scenario.

Total Transportation and Operations Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Transportation and Operations Costs	$168,780	$1,277	$34,911	$253,837

See Table 6 for a detailed analysis.

6. **Economic Development**

The Economic Development Department propagates economic health and quality of life by supporting and recruiting new business to the City and working to increase available services to local residents. Economic Development provides services that facilitate revitalization and help ensure the city upkeep and avoid the deterioration of neighborhoods. It develops and implements the City's overall marketing efforts and assists the City Council in its economic development and redevelopment efforts. The Economic Development Department staffs approximately five full-time equivalent employees with an estimated budget of approximately $967,000 in Fiscal Year 2006/07. As the city grows, so does its need to increase economic development efforts to retain employers and provide economic opportunities for local residents. Thus, the analysis uses an average cost estimate to determine increased service costs generated from new jobs and housing within the Initiative area. The average Economic Development cost is approximately $2.72 per service population unit. These average costs are applied to the projected increase in service population under each scenario.

Total Economic Development Department Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Total Economic Development Costs	$5,799	$78	$863	$10,669

See Table 7 for a detailed analysis.

7. **Community Development Department**

The Community Development Department provides a number of services primarily to new development including planning, engineering, and building inspection services. The Community Development Department charges fees that are intended to cover the cost of providing services related to new development and services that support the activities of other City departments or government entities, reducing its overall costs to the General Fund. The Community Development Department has an annual budget of approximately $17.1 million, of which approximately $2.6 million originates from the General Fund. Similar to the Economic Development Department, the fiscal analysis uses an average cost calculation to determine increased costs for each scenario. As shown in Table 8, each scenario would have a nominal fiscal impact to the Community Development Department.

Table 7: Economic Development

Economic Development Cost Assumptions

Current Service Standards	2006-07
Economic Development Cost	$967,368
Less Overhead Charges to Other Funds	($261,189)
Net Economic Development Costs	$706,179
Total Service Population (e)	259,247
Economic Development Costs per Service Pop.	**$2.72**

Economic Development Alternatives Cost Analysis

New Economic Development Costs	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Net New Service Population	2,129	29	317	3,917
Service Cost Per Service Population	$2.72	$2.72	$2.72	$2.72
Total New Economic Development Costs	**$5,799**	**$78**	**$863**	**$10,669**

Notes:
(a) These represent total Economic Development Costs before accounting for program revenues and transfers in from other departments.
(b) Service population estimates are based on January 1, 2006 population and ABAG employment estimates.

Sources: City of Fremont Budget, Fiscal Year 2006-07; Department of Finance, 2005; ABAG, 2005; BAE, 2006.

Table 8: Community Development

Community Development Cost Assumptions

Current Service Standards	2006-07
Community Development Cost (a)	$17,139,389
Less Developer Fees	($9,598,058)
Less Charges to Capital Projects	($4,456,241)
Less Fund Balance	($342,788)
Less Other Revenue	($171,394)
Net Community and Economic Development Cost	$2,570,908
Total Service Population (e)	259,247
Community Development Cost per Service Pop.	$9.92

Community Development Cost Alternatives Analysis

New Community Development Cost	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Net New Service Population	2,129	29	317	3,917
Service Cost Per Service Population	$9.92	$9.92	$9.92	$9.92
Total New Community Development Cost	**$21,112**	**$283**	**$3,144**	**$38,842**

Notes:
(a) These represent total Community Development Costs before capture of development fees, charges, and other revenue which are not General Fund sources.
(b) Service population estimates are based on January 1, 2006 population and ABAG employment estimates.

Sources: City of Fremont Budget, Fiscal Year 2006-07; Community Development Department, June, 2006; Department of Finance, 2005; ABAG, 2005; BAE, 2006.

8. **General Government Administration**

General Government Administration includes a number of City Departments that provide services to support the overall operations of the City of Fremont. These include City Council, City Manager, City Clerk, City Attorney, Finance, and Human Resources. It is expected that as the City's population expands, so do its costs for General Government Administration functions. For example, increased personnel in the Police Department will create the need for increased staffing in the Human Resources Department to provide payroll services, maintain employee records and an increased need for Finance Department services, etc. However, there are certain fixed costs that will not increase with the population of the City such as City Council expenditures and most costs associated with department head compensation, etc. Based on our professional experience, BAE estimates that 75 percent is a conservative projection of the variable costs for general government departments. It acknowledges that some costs are fixed but does not underestimate the variable costs associated with new development.

As shown on Table 9, additional variable departmental expenditures related to General Government vary from as little as $700 per year under the Initiative Farmland Scenario 2 to $91,800 under the Patterson Ranch Proposal Scenario 4.

9. **Revenues Offsetting Departmental Expenditures**

a. **Licenses, Permits, and Grants**. The City of Fremont collects fees for licenses and permits for a variety of purposes. These permits are shown as offsetting program revenues in the Community Development and Parks and Recreation Department expenditure tables. In addition, Human Services, Police, and Fire receive grants which are also shown as offsetting program revenue in each respective table.

b. **Charges for Current Services, Other Revenues, and Overhead Charges**. The City of Fremont collects revenues in the form of charges for service in a variety of governmental activities that benefit a single user or are otherwise not considered free government services. In addition, total costs for all services include proportional shares of citywide overhead costs (e.g. human resources, legal services, finance), risk management, and information technology. These allocation charges to other funds are budgeted as transfers into the General Fund. The overhead charges are shown as non-General Fund Operations in departmental budget such as the Community Development Department and Parks and Recreation Department.

Table 9: General Government Costs

General Government Cost Assumptions

Current Service Standards (a)	2006-07
City Council	$235,648
Less Overhead Charged to Other Funds	($63,625)
Subtotal	*$172,023*
City Manager	$1,771,468
Less Overhead Charged to Other Funds	($478,296)
Subtotal	*$1,293,172*
City Attorney's Office	$1,657,644
Less Overhead Charged to Other Funds	($447,564)
Subtotal	*$1,210,080*
City Clerk	$1,328,186
Less Overhead Charged to Other Funds	($358,610)
Subtotal	*$969,576*
Finance	$3,715,779
Less Overhead Charged to Other Funds	($1,003,260)
Subtotal	*$2,712,519*
Human Services	$2,385,036
Less Overhead Charged to Other Funds	($643,960)
Subtotal	*$1,741,076*
Total General Government Costs	**$8,098,445**
Total Service Population	259,247
General Government Costs per Service Population	$31.24
% of Costs Impacted Service Population Growth (b)	75%
Cost Per New Service Population Unit	**$23.43**

General Government Costs Alternative Analysis

New General Government Costs	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Net New Service Population	2129	29	317	3917
Cost Per New Service Population Unit	$23.43	$23.43	$23.43	$23.43
Total General Government Costs	**$49,878**	**$668**	**$7,427**	**$91,765**

Notes:
(a) Overhead charges are those costs borne to the department but attributed to other departments within the city and therefore are not general fund expenditures.
(b) See corresponding text for an explanation.

Sources: City of Fremont Budget, Fiscal Year 2006-07; Department of Finance, 2005; ABAG, 2005; BAE, 2006.

C. Revenue Projections

1. Program Revenues

As discussed above, the cost projection techniques typically use a net service cost that reflects total departmental costs less specific program revenues generated by a specific departmental function. As described earlier, it is assumed that the relationship between department expenditures and department program revenues will remain constant in the future. Because these revenues have been accounted for in the cost projection section, it is not necessary to produce direct estimates of the increases in the numerous program revenues. This section therefore describes the methodologies used to project the increased revenues from those sources that have not already been addressed through the process of determining the City's net costs for services. The following general revenues are those that are available to pay for the portions of City service expenditures that are not recoverable from specific program revenues.

2. Sales and Use Taxes

The State of California allocates sales and use taxes to the City of Fremont equal to 0.95 percent of local taxable sales that occur within the City limits.[9] As new residents move into a community, they can be expected to make taxable retail purchases within that community. Additionally, new commercial activity can generate sales or use tax from the sales of taxable goods by these businesses. Consequently, increases in residential development and new employment-generating land uses are expected to generate increased local sales tax revenues. These increased revenues can be in the form of sales taxes generated by the taxable expenditures of new residents in local retail establishments, and taxable business to business sales or use taxes from new business locating in Fremont.

a. **Resident Taxable Sales.** Each of the development scenarios would cause local retail sales levels to expand substantially because of increased population. The quantities of new retail sales would exceed that which could be captured in the relatively small quantities of new retail space proposed in the Initiative; therefore, capturing all of the projected retail sales would entail significantly increasing the productivity of the City's existing retail facilities. In the last complete year of reported taxable sales (2004), Fremont's retail sales were approximately $7,500 per capita. These retail sales were inflated to reflect 2006 dollars using the increase in the Consumer Price Index. Accordingly, the average retail sales per capita is estimated at $7,900 in 2006 dollars. This per capita estimate includes retail leakage of purchases made by Fremont residents in other jurisdictions. As shown in Table 10, the average per capita retail sales in the County overall is $10,100, more than a quarter above the City's per capita sales. While the actual resident taxable purchases are expected to be higher than Fremont's overall per capita sales considering the relatively high home prices and corresponding household incomes expected in the Initiative area,[10] the fiscal analysis assumes a significant portion of these new purchases will be captured outside of the City. Thus, the analysis conservatively assumes residents in the Initiative area will generate similar taxable sales expenditures to the Fremont residents overall. This existing factor is relevant because the closest neighborhood shopping areas are in the Cities of Union City and Newark and at least some of new resident expenditures will be spent at these retail centers outside Fremont.

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[9] Alameda County receives five percent of the City's one percent allocation, resulting in a net capture rate of 0.95 percent of total taxable sales. Additionally, in 2004, the State budget deal (agreed to by the Governor, the legislature, and other key participants), implemented a multi-step shift of revenues, referred to as the "triple flip," in order to create a bondable sales tax income stream for the State. The triple flip affects the City of Fremont by: 1) reducing its local share of sales tax from 1.0 to 0.75 percent; 2) "backfilling" city sales tax revenue losses by shifting ERAF property taxes to the City; and 3) "backfilling" school district ERAF property taxes shifted to local governments through a shift of State General Fund dollars. Because of the backfill, the City's share of sales tax revenue effectively remains at 0.95 percent of taxable sales.

[10] See Table 12 for a summary of home price estimates by scenario.

b. **Business Taxable Sales.** In addition to retail sales generated from residents, businesses also increase sales tax revenues through business to business taxable expenditures. In 2004, Fremont generated over $850 million in business to business sales. The fiscal analysis uses a business-to-business sales per employee average revenue estimate to determine future taxable sales from new businesses locating in commercial and industrial space within the Initiative area. The average revenue estimate assumes new businesses locating within the Initiative area will, on average, have similar taxable expenditures to those business already in the City. As shown in Table 10, the average taxable sales per employee is approximately $8,900.

d. **Total New Taxable Sales Revenue.** Using the methodology above, the analysis can estimate future taxable sales generated from new residents and employees in the Initiative area. Among the General Plan and Patterson Ranch Proposal Scenarios, the large projected increase in service populations generates significant sales tax revenue to the City. The Initiative Scenarios generate significantly less due to fewer residents and zero new businesses within the Initiative area.

Total Sales Tax Revenues

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Total Sales Tax Revenues	$280,449	$2,140	$23,777	$423,472

See Table 10 for a detailed analysis.

e. **Proposition 172 Public Safety Taxes.** Proposition 172 is a half percent sales tax for public safety services approved by California voters in 1993. Unlike the 0.95 percent sales tax distributed to the City based on Fremont's actual retail sales, Proposition 172 sales tax revenues are distributed to the City based on its proportional share of the County's overall taxable sales. In the case of Fremont, the taxable sales in the city account for approximately 15 percent of countywide sales. Thus, the City receives approximately 15 percent of countywide growth in taxable sales tax generated from the half cent tax. As shown in Table 11, the scenarios will generate from $225,000 in additional taxable sales under the Initiative Farmland Scenario to $44.6 million under the Patterson Ranch Proposal Scenario. This results in only nominal growth in Proposition 172 sales tax revenues.

Proposition 172 Public Safety Sales Tax Revenues

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Prop. 172 Sales Tax Revenues	$21,550	$164	$1,827	$32,541

See Table 11 for a detailed analysis.

Table 10: Sales Tax Revenues

Sales Tax Revenue Assumptions

Retail Taxable Sales Per Resident	Fremont 2006	Alameda County 2006
Total Retail Taxable Sales, 2004	$1,575,060,000	$ 14,343,842,000
Total Retail Taxable Sales, 2006 (a)	$1,659,253,828	$ 15,110,582,924
Resident Population	210,158	1,495,775
Total Taxable Transactions per Resident	$7,895	$10,102

Business to Business Taxable Sales Per Employee	2006
Total Business to Business Sales, 2004 (b)	$828,647,000
Total Business to Business Sales, 2006 (a)	$872,941,797
Total Employment	98,179
Total Business to Business Taxable Transactions per Employee	$8,891

Sales Tax Revenue Alternatives Revenue Analysis

New Sales Tax Revenues	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
New Residents	843	29	317	2,536
New Employees	2,571	0	0	2,762
Retail Sales Per Resident	$7,895	$7,895	$7,895	$7,895
Business to Business Sales Per Employee	$8,891	$8,891	$8,891	$8,891
Total Taxable Transactions	$29,520,933	$225,252	$2,502,800	$44,576,044
Total Sales Tax Distributed to the City	0.95%	0.95%	0.95%	0.95%
New Sales Tax Revenue	**$280,449**	**$2,140**	**$23,777**	**$423,472**

(a) The 2006 estimates adjust 2004 sales using the change in the San Francisco Metropolitan Statistical Area Conumser Price Index from 2004 to 2006.

(b) Business to business sales are defined as "outlet sales" per the State Board of Equalization.

Sources: State Board of Equalization, 2006; Department of Finance, 2006; BAE, 2006.

Table 11: Proposition 172 Public Safety Tax Revenues

Proposition 172 Public Safety Sales Tax Revenue Alternatives Revenue Analysis

Proposition 172 Revenues	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Project-Generated Increase in Taxable Sales (See Table 10)	$29,520,933	$225,252	$2,502,800	$44,576,044
Estimated Proposition 172 Revenue to Alameda County (a)	$147,605	$1,126	$12,514	$222,880
Share of Countywide Public Safety Sales Tax Revenues (b)	**$ 21,550**	**$ 164**	**$ 1,827**	**$ 32,541**

Notes:

(a) Public Safety Sales Tax is one-half percent of taxable sales.

(b) Fremont's share of Countywide Public Safety Sales Tax revenues is approximately 14.6% of the total in 2004. This analysis assumes the proportion of taxable sales has remained constant from 2004 to 2006.

Sources: Finance Department, City of Fremont, 2006; State Board of Equalization, 2006; BAE, 2006

3. Property Taxes

Property taxes are a significant source of General Fund revenue that will increase as a direct result of new development in the Initiative area. The County Auditor-Controller's office allocates increased property tax revenues for general operating purposes to the City based on the increase in assessed valuation of property located within the City and outside the City's Redevelopment Project Area. Generally, the County Assessor's office determines assessed valuation each year based on the sale price of real estate that has been sold, or the statutorily permitted annual increase in assessments for properties that have not changed ownership. Proposition 13 limits annual assessment increases for properties that have not been sold or improved to the smaller of two percent or the rate of inflation. However, if a property remains in the same ownership, assessments will increase according to the value of any new improvements made to the property (e.g., a house built on formerly vacant land or an addition made to an existing house). Property owners can request to have assessments decreased if the value of property declines below its assessed value.

The County Auditor-Controller's office allocates the basic one percent property tax among the City of Fremont and a number of other tax receiving entities that also provide services to property located in Fremont. This includes the Fremont Unified School District, the East Bay Regional Park District, the County of Alameda, and a host of other local and regional governmental agencies. Additional taxes above the one percent basic rate are allocated for the specific purposes for which they were authorized (including landscape maintenance districts and similar mechanisms), and are not available for general operating funds.

According to the City of Fremont's Finance Department, the City's net share of property taxes collected in the Initiative area is approximately 14.8 percent. This is after accounting for deductions for the Education Revenue Augmentation Fund (ERAF).

a. **Market Value Appreciation and Annual Property Tax Increases**. The fiscal impact model calculates all expenditures and revenues on a current dollar basis. Over time, real property valuation may trail inflation because individual properties can only increase by the statutorily permitted two percent per year until such time as the property is sold to a new owner, at which time the property would be re-assessed at its full market value. According to the National Housing Price Index prepared by the Office of Federal Housing Enterprise Oversight, East Bay home values have appreciated at an annualized rate of 6.5 percent from 1981 to 2005. This represents a rate of approximately 3.5 percent above the Bay Area's inflation rate (see Figure 1 in Section A of this report). This higher rate of appreciation has a countervailing affect on estimates of property tax revenues vis-à-vis expected Proposition 13 lag.

A sale value of the land uses in each scenario has been used to estimate the assessed value of secured property. Unsecured property (mainly taxes on business equipment and fixtures) is difficult to estimate and has been omitted from this analysis. BAE estimated these sales values based on the current for-sale residential market and commercial and industrial comparables in Fremont, Union City, and Newark. Based on current sales in the market area, BAE estimated the current values of the homes and commercial and industrial space.[11] Below is a summary of property tax revenue by scenario.

Property Tax Revenue

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Total Property Tax Revenue	$925,740	$29,970	$259,000	$1,203,984

See Table 12 for a detailed analysis

[11] See the Market Comparable Tables in Appendix C for an explanation of assessed value assumptions.

Table 12: Property Tax Revenues

Development Program Assessed Value Assumptions and Property Tax Assumptions

Development Summary	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Agriculture Residential Parcels	5	9	0	0
Residential				
Large Lot Single Family (a)	261	0	100	0
Traditional Single-Family	0	0	0	473
For Sale Multifamily	0	0	0	207
For Sale Inclusionary (b)	0	0	0	120
Commercial and Industrial				
Neighborhood Commercial Square Feet	0	0	0	40,000
Industrial Research and Development Space	900,000	0	0	900,000
Assessed Value Assumptions				
Agriculture Residential Parcels (c)	$1,125,000	$2,250,000	$2,250,000	$2,250,000
Large Lot Single Family (d)	$1,750,000	$1,750,000	$1,750,000	$1,750,000
Traditional Single Family (e)	$1,000,000	$1,000,000	$1,000,000	$1,000,000
Townhouses and Stackflats	$675,000	$675,000	$675,000	$675,000
Inclusionary Housing (f)	$300,650	$300,650	$300,650	$300,650
Neighborhood Commercial (Per Sq. Ft.) (g)	$180	$180	$180	$180
Industrial Research and Development Space (Per Sq. Ft.) (g)	$175	$175	$175	$175

Property Tax Revenues Alternative Analysis

Total Assessed Value	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Agricultural Residential Parcels (e)	$5,625,000	$20,250,000	$0	$0
Residential				
Large Lot Single Family (d)	$456,750,000	$0	$175,000,000	$0
Traditional Single Family (e)	$0	$0	$0	$473,000,000
For Sale Multifamily	$0	$0	$0	$139,725,000
For Sale Inclusionary (b)	$0	$0	$0	$36,078,000
Commercial and Industrial				
Neighborhood Commercial Square Feet	$0	$0	$0	$7,200,000
Industrial Research and Development Space	$157,500,000	$0	$0	$157,500,000
Total Assessed Value	$619,875,000	$20,250,000	$175,000,000	$813,503,000
1% Property Tax	$ 6,198,750	$ 202,500	$ 1,750,000	$ 8,135,030
% of Tax Distributed to Fremont General Fund	14.8%	14.8%	14.8%	14.8%
Net Increase in Property Tax Revenue	**$917,415**	**$29,970**	**$259,000**	**$1,203,984**

Notes:

(a) Large lot single-family units are developments

(b) Assumes large lot housing projects will pay an in-lieu fee as allowed under the City's inclusionary housing ordinance for large lot developments. and an even distribution of the inclusionary housing units by housing type among the Patterson Ranch Alternative which has lot sizes lower than 10,000 square feet.

(c) Large lot housing ranges from 20,000 square foot lots to one acre lots. See Appendix C for comparables.

(d) Assumes large units ranging between 2,500 and 3,500 square feet. See Appendix C for market comparables.

(e) Property values of the agriculture residential parcels have been discounted by 50 percent to account for the parcelization and use restrictions of the agricultural easement.

(f) Assumes an even mix of two bedroom inclusionary housing units and three bedroom inclusionary housing units.

(g) See Appendix C for comparables.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June, 2006; Meyers Group New Homes Sales, 2006; Co-Star Commercial and Industrial Market Reports, 2006; BAE, 2006.

b. **Property Transfer Taxes.** When real estate is sold within the City of Fremont, the County Recorder's office collects a property transfer tax of $1.10 per $1,000 in value. The City of Fremont receives $0.55 per $1,000 in value for every real property transaction within the City limits. The fiscal impact model projects the future generation of property transfer taxes resulting from the on-going resale of property within the boundaries of the Initiative area, where appropriate. The timing of the latter is based on the assumptions regarding the frequency of changes in ownership for each different land use type (turnover). For purposes of determining the average turnover of the residential units, this analysis uses the City of Fremont's turnover rate of owner-occupied units recorded in the 2000 U.S Census. According to the U.S. Census, approximately nine percent of total owner-occupied units sold in 1999. The analysis applies this turnover rate to all residential units programmed under the development scenarios.

In addition, this analysis assumes revenue generating properties (i.e. farms, commercial, and industrial) will turnover at a slower rate with an average of once every 20 years, or five percent per year. Table 13 shows the contribution of property transfer tax revenue to the City of Fremont General Fund. Overall, the scenarios contribute nominal increases in property transfer taxes to the City.

Property Transfer Tax Revenue

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Total Property Transfer Tax Revenue	$28,372	$557	$9,092	$38,239

See Table 13 for a detailed analysis

c. **Paramedic Parcel Taxes.** Local voters approved a paramedic parcel tax in 1997. The City uses the paramedic tax to pay for Fire Department training, equipment, and supplies as well as for corresponding overhead costs related to paramedic services. The current parcel tax levy is $14.22 per residential unit and $56.90 per commercial or industrial parcel. Table 14 applies the parcel taxes to each development program, assuming new industrial space would average 100,000 square feet per parcel and commercial development would remain a single parcel under the Patterson Ranch Proposal Scenario. The result is only a slight increase in Paramedic Parcel Taxes.

Paramedic Parcel Taxes

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Paramedic Taxes	$4,224	$128	$1,422	$10,494

See Table 14 for a detailed analysis

Table 13: Property Transfer Tax Revenues

Assessed Value by Alternative

Total Assessed Value (a)	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Agricultural Residential Parcels	$5,625,000	$20,250,000	$0	$0
Residential				
Large Lot Single Family	$456,750,000	$0	$175,000,000	$0
Traditional Single-Family	$0	$0	$0	$473,000,000
For Sale Multifamily	$0	$0	$0	$139,725,000
For Sale Inclusionary	$0	$0	$0	$36,078,000
Commercial and Industrial				
Neighborhood Commercial Square Feet	$0	$0	$0	$7,200,000
Industrial Research and Development Space	$157,500,000	$0	$0	$157,500,000
Total Assessed Value	$619,875,000	$20,250,000	$175,000,000	$813,503,000

Property Transfer Tax Assumptions

Percentage of Properties Sold Every Year	
Agriculture Residential Parcels (Years)	5.0%
All Other For Sale Residential (Years) (b)	9.4%
Commercial and Industrial (Years)	5.0%

Property Transfer Tax Revenue Alternatives Analysis

	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Assessed Value				
Agriculture Residential Parcels	$5,625,000	$20,250,000	$0	$0
All Other For Sale Residential	$456,750,000	$0	$175,000,000	$648,803,000
Commercial and Industrial	$157,500,000	$0	$0	$164,700,000
Average Assessed Value of Units Sold Each Year				
Agriculture Residential Parcels	$281,250	$1,012,500	$0	$0
All Other For Sale Residential	$43,147,812	$0	$16,531,729	$61,290,488
Commercial and Industrial	$7,875,000	$0	$0	$8,235,000
Total Assessed Value of Units Sold	$51,304,062	$1,012,500	$16,531,729	$69,525,488
Property Transfer Tax	$56,434	$1,114	$18,185	$76,478
Percent to the City	50%	50%	50%	50%
Net Increase in Property Transfer Tax	**$28,217**	**$557**	**$9,092**	**$38,239**

Notes:

(a) See Table 12 for a summary of the total assessed value by development alternative.

(b) The percent of properties sold each years is based on the number of owner-occupied properties sold in Fremont in one year compared to the total number of owner occupied units using U.S. 2000 Census data.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June, 2006; Meyers Group New Homes Sales, 2006; U.S. Census, STF3A, 2000; Co-Star Commercial and Industrial Market Reports, 2006; BAE, 2006.

Table 14: Paramedic Parcel Tax Revenues

Paramedic Parcel Tax Assumptions

Development Summary	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Agriculture Residential Parcels	0	9	0	0
Residential				
Large Lot Single Family (a)	261	0	100	0
Traditional Single-Family	0	0	0	402
For Sale Multifamily	0	0	0	176
For Sale Inclusionary (b)		(b)	(b)	120
Commercial and Industrial				
Neighborhood Commercial Square Feet	0	0	0	40,000
Industrial Research and Development Sq. Ft.	900,000	0	0	900,000
Levey by Use				
Agriculture Residential Parcels	$14.22	$14.22	$14.22	$14.22
All Residential Units	$14.22	$14.22	$14.22	$14.22
Industrial and Commercial Parcels	$56.90	$56.90	$56.90	$56.90

Paramedic Parcel Tax Revenues Alternative Analysis

Increase in Paramedic Tax by Use	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Agricultural Residential Parcels	$0	$128	$0	$0
Residential				
All Residential Units	$3,711	$0	$1,422	$9,926
Industrial and Commercial Parcels (b)	$512	$0	$0	$569
Net Increase in Paramedic Tax	**$4,224**	**$128**	**$1,422**	**$10,495**

Notes:

(a) Large lot single-family units are developments

(b) Assumes one commercial property and one industrial property every 100,000 square feet of building space.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June, 2006; *Meyers Group New Homes Sales, 2006; Co-Star Commercial and Industrial Market Reports, 2006; BAE, 2006.*

4. Intergovernmental Revenues

a. **Vehicle License Fees and In-Lieu of Vehicle License Fees (VLF and ILVLF).** In place of imposing a property tax on motor vehicles, historically the State of California charged an "In-Lieu" Fee on vehicle registrations equal to 2 percent of the vehicle value. As part of the 2004 State budget deal, the State has altered the distribution methodology reducing the amount to be passed on to local jurisdictions. The State reduced the VLF fees to 0.65 percent of assessed value.. Though the State no longer back-fills the remaining 1.35 percent, property taxes are redirected back to the City In-Lieu of VLF. The State collects these fees with annual vehicle registration fees, and allocates a portion back to local governments. Approximately 10 percent of total VLF collected is based on the City's population with the remaining to be allocated based on growth on overall assessed value.

VLF Revenues. The City receives a small portion of VLF based on its total population. In Fiscal Year 2006/07, the City received approximately $7.15 in VLF revenues per resident. To determine future revenues, the fiscal analysis multiplies the current VLF revenues per resident by the projected increase in residents under each scenario.

VLF Revenue

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
VLF Revenues Per Resident	$7.15	$7.15	$7.15	$7.15
New Residents	843	29	317	2,536
VLF Revenue	**$6,026**	**$204**	**$2,266**	**$18,125**

See Table 15 for a detailed analysis

ILVLF Revenues. In addition to VLF, the City also receives money in-lieu of vehicle license fees from the state based on their original VLF revenues and the growth the City's assessed values. To project the growth in ILVLF revenues, the analysis compares the projected increase in assessed value by scenario to the City's total assessed value, estimated at approximately $25 billion. As an example, buildout of the General Plan & Zoning Scenario would generate a 2.5 percent increase in the City's total assessed value. The 2.5 percent is then applied to the City's current ILVLF revenues ($13.8 million) to determine the net increase in revenues. The result is a projected increase of approximately $340,000 under the General Plan Scenario.

ILVLF Revenue

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Current Year IVLF Payment	$13,798,000	$13,798,000	$13,798,000	$13,798,000
% increase in Total AV	2.48%	0.08%	0.69%	3.23%
IVLF Revenue	**$342,486**	**$11,088**	**$95,819**	**$445,425**

See Table 16 for a detailed analysis

b. **State Gas Tax Subventions.** The State of California distributes gas taxes to cities based on State Street and Highway code sections 2105, 2106, and 2107. The use of gas taxes is restricted to roadway construction and maintenance-related activities. These are generally capital costs and not intended to be expended for on-going operations and maintenance. In estimating costs to the City's Transportation and Operations Department, the fiscal analysis subtracted non-General Fund revenues, such as gas tax, to determine the actual discretionary fiscal impact to the City. Thus, gas tax revenues projections are not included in this fiscal analysis.

Table 15: Motor Vehicle License Fee Revenues

Motor Vehicle Fee Revenue Assumption

Current Revenue	2005-06
Motor Vehicle In-Lieu Fees (a)	$1,502,000
Resident Population	210,158
Motor Vehicle Revenues per Capita	$7.15

Property Tax In Lieu of Vehicle License Fees Alternative Assumptions

New Revenues by Alternative	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Residents	843	29	317	2,536
Revenue Per Capita	$7.15	$7.15	$7.15	$7.15
New VLF Revenues	**$6,026**	**$204**	**$2,266**	**$18,125**

Note:
(a) Vehicle Licencse Fees are calculated on a per resident basis.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June,

Table 16: Property Tax In Lieu of VLF Revenues

Property Tax In Lieu of Vehicle License Fees

	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Estimated New Assessed Value (a)	$619,875,000	$20,250,000	$175,000,000	$813,503,000
Total Assessed Value in Fremont (2006) (b)	$25,200,000,000	$25,200,000,000	$25,200,000,000	$25,200,000,000
Percent Increase in Property Taxes	2.46%	0.08%	0.69%	3.23%

Property Tax In Lieu of Vehicle License Fees Alternative Assumptions

ILVLF Revenue	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Current Year ILVLF Payment	$13,798,000	$13,798,000	$13,798,000	$13,798,000
% increasee in ILVLF payment resulting from buildout	2.46%	0.08%	0.69%	3.23%
New Total ILVLF Payment to Fremont	$14,137,406	$13,809,088	$13,893,819	$14,243,425
Net Increase in ILVLF Revenues	**$339,406**	**$11,088**	**$95,819**	**$445,425**

Notes:
(a) See Table 12 for a summary of the new property taxes generated from each alternative.
(b) Finance Department, City of Fremont, June, 2006.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June, 2006; Meyers Group New Homes Sales, 2006; Co-Star Commercial and Industrial Market Reports, 2006; BAE, 2006.

5. Other General Fund Revenues

a. Business License Taxes. Within the City of Fremont, businesses pay an annual tax, based on gross receipts or payroll. It is very difficult to accurately estimate future business license tax revenues, since gross receipts can vary greatly, depending not only on the size of a business establishment, but also on the types of activities that are undertaken within the City. The fiscal impact model uses the current per employee Business License Tax revenue figure to project the future increase that might be attributable to each scenario, based on projected employment.

Current revenues and citywide employment yield average Business License Fee Revenue of $71 per employee. Table 17 applies this figure to the estimated new private employment in each scenario and projects increases in Business License Fee revenue of zero for both Initiative Scenarios and approximately $182,000 and $195,000 under the General Plan & Zoning and Patterson Ranch Proposal, respectively.

Business License Revenues

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
License Fee Per Employee	$71	$71	$71	$71
New Employees	2,571	0	0	2,762
Business License Revenue	**$181,794**	**$0**	**$0**	**$195,233**

See Table 17 for a detailed analysis

b. Franchise Fee Revenues. The City of Fremont collects fees from service providers who are granted franchises to provide services within the City and operate within the public rights-of-way, including the gas, electric, and cable TV utilities, and the local garbage collection service. Franchise fees are calculated as a percentage of revenues; therefore, as the number of customers for these services grows, franchise fee revenues will also grow.

Without the ability to directly estimate the amounts of revenues that new development will generate for the franchise providers, the fiscal impact model uses average "per service population" figures to estimate increases in franchise fee to estimate increases. Table 18 estimates the average fee per service population is approximately $30. Below is a summary of the projected increase in franchise fees for each scenario.

Franchise Fee Revenues

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Franchise Fee Per Service Population	$30	$30	$30	$30
Service Population Increase	2,129	29	317	3,917
Franchise Fee Revenue	**$64,563**	**$865**	**$9,613**	**$118,781**

See Table 18 for a detailed analysis

c. Fines and Forfeitures. The City of Fremont collects revenues from parking fines and other Vehicle Code court fines. These revenues are expected to increase on a "per service population" basis in the scenario. Estimated fines and forfeitures revenues for each scenario are shown in Table 19.

d. Transient Occupancy Tax. The City of Fremont collects a transient occupancy tax equal to eight percent of room rates for stays of 30 days or less. Lodging operators are required to collect this tax along with their guest bills, and forward the revenues to the City. Because none of the scenarios include lodging facilities in their development program, this fiscal analysis assumes no net gain in transient occupancy tax. This is a conservative estimate as employment and population growth can result in

increased overnight stays from persons visiting local residents or businesses within the Initiative area. Still, the overall increase to overnight stays is unknown and thus omitted from this analysis.

Table 17: Business License Revenues

Business License Fee Revenue Assumption

Business License Fee	2006-07
Business License Fee (2006)	$6,941,000
Employees	98,179
Average Business License Fee/Employee	$71

Business License Fee Revenue Alternative Analysis

Business License Fee Revenue	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Employment	2,571	0	0	2,762
Business Licence Fee Per Employee	$71	$71	$71	$71
New Business License Fee Revenue	**$181,794**	**$0**	**$0**	**$195,233**

Note:
(a) Assumes that the large parcel will have an average of 50 employees per business.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June, 2006; BAE, 2006.

Table 18: Franchise Fee Revenues

Franchise Fee Revenue Assumptions

Current Revenue	2005-06
Total Franchise Fee Revenues	$7,862,000
Total Service Population (a)	259,247
Resident Population	210,158
Employment	98,179
Franchise Fee Revenues per Service Population	$30.33

Franchise Fee Revenue Alternative Analysis

Franchise Fee Revenue By Alternative	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Net New Residents	843	29	317	2,536
Net New Employment	2,571	0	0	2,762
Net New Service Population	2,129	29	317	3,917
Revenue Per Service Population	$30.33	$30.33	$30.33	$30.33
New Franchise Fee Revenue	**$64,563**	**$865**	**$9,613**	**$118,781**

Note:
(a) Service population estimates are based on January 1, 2005 population and employment estimates.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June, 2006; BAE, 2006.

Table 19: Fines and Forfeitures

Fine and Forfeiture Revenue Assumptions

Current Service Standards	2006-07
Total Fines and Forfeiture Revenues (a)	$3,235,000
Total Service Population (b)	259,247
Resident Population	210,158
Employment	98,179
Fines and Forfeiture Revenues per Service Popula	$12.48

Fines and Forfeiture Revenue Alternative Analysis

New Fines and Forfeitures by Alternative	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Net New Residents	843	29	317	2,536
Net New Employment	2,571	0	0	2,762
Net New Service Population	2129	29	317	3917
Revenue Per Service Population	$12.48	$12.48	$12.48	$12.48
Total Fine and Forefeitures	**$26,566**	**$356**	**$3,956**	**$48,875**

Note:

(a) Includes Bail Forfeiture Fines, and Vehicle Code Fines.

(b) Service population estimates are based on January 1, 2006 population and employment estimates.

Sources: Finance Department, City of Fremont, June, 2006; BAE, 2006.

D. PROJECTED NET FISCAL BALANCE

Annual City General Fund Fiscal Impacts

Table 20 summarizes the projected increases in net General Fund costs and revenues for each scenario at buildout. The fiscal impact analysis projects that development under the General Plan would result in a net fiscal surplus of approximately $1.1 million. This represents the largest surplus among the four scenarios evaluated. The Initiative Scenarios would generate smaller surpluses of approximately $38,000 under the Farmland Scenario and $117,000 under the Residential Scenario. Finally, the Patterson Ranch Proposal Scenario would generate an estimated surplus at approximately $654,000 at buildout. In large part, the Patterson Ranch Proposal Scenario shows a lower surplus to the General Fund because of the significantly higher park land maintenance costs; estimated at $690,000 per year compared to $250,000 under the General Plan & Zoning Scenario. If the Patterson Ranch Proposal Scenario were to maintain park land through a homeowner's association or assessment district, the difference in fiscal impacts would be significantly less.

City of Fremont Net Fiscal Impact

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Projected Costs	$772,136	$7,012	$289,493	$1,881,105
Projected Revenues	$1,870,210	$45,472	$406,772	$2,535,170
Net Fiscal Surplus/(Deficit)	**$1,098,074**	**$38,460**	**$117,279**	**$654,064**

See Table 20 for a detailed analysis

Table 20: City of Fremont Net Fiscal Impact

Projected Costs Alternative Analysis

Projected Costs	Buildout (a) General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Police	$249,949	$0	$77,768	$688,621
Fire	$227,703	$3,051	$33,905	$418,922
Parks and Recreation	$35,764	$1,210	$126,532	$338,901
Transportation and Operations	$168,780	$1,277	$34,911	$253,837
Economic Development	$5,799	$78	$863	$10,669
Community Development	$21,112	$283	$3,144	$38,842
Human Services	$13,150	$445	$4,944	$39,549
General Government	$49,878	$668	$7,427	$91,765
Subtotal: Costs	**$772,136**	**$7,012**	**$289,493**	**$1,881,105**

Projected Revenues Alternative Analysis

Projected Revenues	Buildout (a) General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Sales Tax	$280,449	$2,140	$23,777	$423,472
Proposition 172 Public Safety Sales Tax	$21,550	$164	$1,827	$32,541
Property Tax	$917,415	$29,970	$259,000	$1,203,984
Property Transfer Tax	$28,217	$557	$9,092	$38,239
Paramedic Parcel Tax	$4,224	$128	$1,422	$10,495
Vehicle Licencse Fees	$6,026	$204	$2,266	$18,125
ILVLF	$339,406	$11,088	$95,819	$445,425
Business License Fees	$181,794	$0	$0	$195,233
Franchise Fees	$64,563	$865	$9,613	$118,781
Fines and Forfeiture Fees	$26,566	$356	$3,956	$48,875
Subtotal: Revenues	**$1,870,210**	**$45,472**	**$406,772**	**$2,535,170**

Projected General Fund Deficit/Surplus Alternative Analysis

Net Fiscal Surplus/(Deficit) (b)	**$1,098,074**	**$38,460**	**$117,279**	**$654,064**

Note:
(a) All cost and revenue figures are in 2006 dollars.

Sources: Finance Department, City of Fremont, June, 2006; Community Development Department, City of Fremont, June, 2006; Meyers Group New Homes Sales, 2006; Co-Star Commercial and Industrial Market Reports, 2006; BAE, 2006.

E. CITY OF FREMONT CAPITAL FACILITY COSTS

New development increases the need for municipal facilities and infrastructure. The City uses development impact fees to fund the needs generated by new development for facilities and infrastructure, including fire facilities, capital facilities, parks, and traffic improvements. A development impact fee is a monetary exaction other than a tax or special assessment that is charged by a local governmental agency to an applicant in connection with approval of a development project for the purpose of defraying all or a portion of the cost of public facilities related to the development project. (Gov. Code § 66000(b).). The City assesses these fees on new development or on land use changes that increase the need for these improvements. The fees represent only new development's proportionate share of the costs of these improvements. New development is not required to remedy any existing service or infrastructure deficiency.

Capital improvements provided by the fees are essential for maintaining quality of life and for mitigating the citywide cumulative impacts of new development. In 2002, The City of Fremont performed a comprehensive analysis updating five development impact fees:

- Fire Facilities fee, which funds fire station costs and associated start-up equipment;
- Capital Facilities fee, which funds City facilities such as the Police Building, a new City Administration building, the City Services Center (Corporation Yard), libraries, and senior centers;
- Traffic fee, which funds freeway interchanges, roadway widenings, intersection improvements, traffic signals, and signal interconnects;
- Park Facilities fee, which funds new park improvements such as sports fields, restrooms, play areas, landscaping, and parking; and
- Park Dedication In-Lieu fee, which funds the acquisition of parkland. The City collects this fee under the authority of the Quimby Act and the City's Park Dedication In-Lieu fee ordinance.

The City sets fee levels by analyzing the expected cost to provide capital facilities and allocating new development's share among the expected future development. In 2002, the City estimated the total cost of public facilities covered by the fee program at $443 million. These costs were spread over all expected residential and non- residential development to set fee levels.

Changes in the expected build out of development sites such as the Initiative area can have an effect on the City's ability to fund known capital needs. The 2002 Development Impact Fee Study assumed residential development on the project site totaling 72 dwelling units and 1.4 million square feet of R&D development on the Cargill Salt site. Changes in development in the Initiative area could result in changes in the amount of fees collected and the infrastructure needed to serve new development citywide. Upon consultation with City staff, none of the development scenarios would necessitate the expansion or deletion of any facilities or infrastructure identified as needed in any of the development impact fee programs. Therefore there is no change in the total capital costs funded by these programs, only the fees collected will vary from scenario to scenario.

Based on the existing adopted fee structure, Table 21 shows the fees collected from the development scenarios and the change from the base case. For the Initiative Residential and Patterson Ranch Scenarios parkland dedication in-lieu fees are not collected – both of these scenarios call for the dedication of community parklands in excess of the five acre per thousand residents mandated by the fee program.

Adequacy of Existing Fee Structure

Based on the June 6th staff report regarding updates to the fee programs, construction and land costs have risen substantially since 2002 and even the annual fee updates may not fund construction fully. Assuming that the proposed 2006 fee structure is the best available estimate of the future cost to provide

Table 21: Development Impact Fees, Existing Fees May 2005

Development Scenarios

Scenarios	Housing Units SFD	Townhomes	MFR	Retail (Sq.Ft.)	R&D (Sq.Ft.)
Baseline	72				1,400,000
1: General Plan and Zoning	266	-	-	-	900,000
2: Initiative Farmland	9	-	-	-	-
3: Initiative Residential	100	-	-	-	-
4: Patterson Ranch Proposal	557	-	243	40,000	900,000

Fire Facilities Fee

Scenarios	Housing Units SFD	Townhomes	MFR	Retail (Sq.Ft.)	R&D (Sq.Ft.)	Total Impact Fee
Fee	$321	$250	$213	$0.119	$0.137	
Baseline	$23,112	$0	$0	$0	$191,800	$214,912
1: General Plan and Zoning	$85,386	$0	$0	$0	$123,300	$208,686
2: Initiative Farmland	$2,889	$0	$0	$0	$0	$2,889
3: Initiative Residential	$32,100	$0	$0	$0	$0	$32,100
4: Patterson Ranch Proposal	$178,797	$0	$51,759	$4,760	$123,300	$358,616

Traffic Facilities Fee

Scenarios	Housing Units SFD	Townhomes	MFR	Retail (Sq.Ft.)	R&D (Sq.Ft.)	Total Impact Fee
Fee	$2,513	$2,513	$1,949	$5.00	$2.54	
Baseline	$180,936	$0	$0	$0	$3,556,000	$3,736,936
1: General Plan and Zoning	$668,458	$0	$0	$0	$2,286,000	$2,954,458
2: Initiative Farmland	$22,617	$0	$0	$0	$0	$22,617
3: Initiative Residential	$251,300	$0	$0	$0	$0	$251,300
4: Patterson Ranch Proposal	$1,399,741	$0	$473,607	$200,000	$2,286,000	$4,359,348

Park Facilities Fee

Scenarios	Housing Units SFD	Townhomes	MFR	Retail (Sq.Ft.)	R&D (Sq.Ft.)	Total Impact Fee
Fee	$7,745	$6,079	$5,155	$0.00	$0.00	
Baseline	$557,640	$0	$0	$0	$0	$557,640
1: General Plan and Zoning	$2,060,170	$0	$0	$0	$0	$2,060,170
2: Initiative Farmland	$69,705	$0	$0	$0	$0	$69,705
3: Initiative Residential	$774,500	$0	$0	$0	$0	$774,500
4: Patterson Ranch Proposal	$4,313,965	$0	$1,252,665	$0	$0	$5,566,630

Park Dedication in-Lieu Fee

Scenarios	Housing Units SFD	Townhomes	MFR	Retail (Sq.Ft.)	R&D (Sq.Ft.)	Total Impact Fee
Fee	$11,519	$9,042	$7,668	$0.00	$0.00	
Baseline	$829,368	$0	$0	$0	$0	$829,368
1: General Plan and Zoning	$3,064,054	$0	$0	$0	$0	$3,064,054
2: Initiative Farmland	$103,671	$0	$0	$0	$0	$103,671
3: Initiative Residential	$1,151,900	$0	$0	$0	$0	$1,151,900
4: Patterson Ranch Proposal	$6,416,083	$0	$1,863,324	$0	$0	$8,279,407

Table 21: Development Impact Fees, Existing Fees May 2005 (continued)

Capital Facilities Fee

Scenarios	Housing Units SFD	Townhomes	MFR	Retail (Sq.Ft.)	R&D (Sq.Ft.)	Total Impact Fee
Fee	$2,951	$2,318	$1,965	$0.784	$0.895	
Baseline	$212,472	$0	$0	$0	$1,253,000	$1,465,472
1: General Plan and Zoning	$784,966	$0	$0	$0	$805,500	$1,590,466
2: Initiative Farmland	$26,559	$0	$0	$0	$0	$26,559
3: Initiative Residential	$295,100	$0	$0	$0	$0	$295,100
4: Patterson Ranch Proposal	$1,643,707	$0	$477,495	$31,360	$805,500	$2,958,062

Total Fees (a)

Scenarios	Total Impact Fee	Increase In Impact Fee
Baseline	$6,804,328	$0
1: General Plan and Zoning	$9,877,834	$3,073,506
2: Initiative Farmland	$225,441	($6,578,887)
3: Initiative Residential	$2,504,900	($4,299,428)
4: Patterson Ranch Proposal	$21,522,063	$14,717,735

Fees with Parkland Dedication

Scenarios	Total Impact Fee	Increase In Impact Fee
Baseline	$6,804,328	$0
1: General Plan and Zoning	$9,877,834	$3,073,506
2: Initiative Farmland	$225,441	($6,578,887)
3: Initiative Residential (b)	$1,353,000	($4,621,960)
4: Patterson Ranch Proposal (b)	$13,242,656	$7,267,696

Baseline Fees Based on 2006 Study

	Housing Units SFD	Townhomes	MFR	Retail (Sq.Ft.)	R&D (Sq.Ft.)	Total
Fire Facilities Fee	$349	$272	$231	$0.13	$0.15	
Traffic Facilities Fee	$3,878	$3,878	$3,007	$7.72	$3.91	
Park Facilities Fee	$7,970	$6,255	$5,304	$0.00	$0.00	
Park Dedication in-Lieu Fee	$15,666	$12,297	$10,428	$0.00	$0.00	
Capital Facilities Fee	$3,187	$2,503	$2,122	$0.85	$0.97	
Total Fees (a)	**$2,235,600**	**$0**	**$0**	**$0**	**$7,040,600**	**$9,276,200**
Fees with Parkland Dedication (b)	**$1,107,648**	**$0**	**$0**	**$0**	**$7,040,600**	**$8,148,248**

Fees with Parkland Dedication

Scenarios	Total Impact Fee	Increase In Impact Fee
Baseline	$9,276,200	$0
1: General Plan and Zoning	$9,877,834	$601,634
2: Initiative Farmland	$225,441	($9,050,759)
3: Initiative Residential (b)	$1,353,000	($6,795,248)
4: Patterson Ranch Proposal (b)	$13,242,656	$5,094,408

Notes:
(a) Assumes payment of all fees including parkland in-lieu fees for scenarios that dedicate parkland.
(b) Does not include park dedication fees for Scenarios 3 & 4 because parkland dedication is inlcuded in these scenarios.

Source: Coyote Hills Initiative; Impact Sciences; *Development Impact Fees Fact Sheet*, May 11, 2005 City of Fremont; BAE,

City capital facilities, BAE calculated the difference between the development fees collected under the existing fee programs and the Initiative areas share of infrastructure represented by the baseline development contribution using the proposed 2006 fees.

It should be noted that typically capital improvement planning is related to the known planned growth; and that changes in development build out can trigger extensive engineering analysis to determine new capital requirements. Due to time and budgetary constraints, a full analysis of the scale of each set of capital improvements to support the varying development scenarios is not possible. Nor has BAE been able to ascertain that the total capital costs collected by impact fees will be adequate to build the identified facilities.

It should be noted that typically capital improvement planning is related to the known planned growth; and that changes in development build out can trigger extensive engineering analysis to determine new capital requirements. Due to time and budgetary constraints, a full analysis of the scale of each set of capital improvements to support the varying development scenarios is not possible. Nor has BAE been able to ascertain that the total capital costs collected by impact fees will be adequate to build the identified facilities. Based on the June 6th staff report regarding updates to the fee programs construction and land costs have risen substantially since 2002 and even the annual fee updates may not fund construction fully. BAE has calculated development fees based on the existing adopted fees and the proposed 2006 fees. BAE believes the 2006 fees are a better benchmark for fee amounts that will allow the City to collect sufficient funds to pay for programmed facilities.

Scenario 1: General Plan & Zoning

This scenario allows residential and agricultural uses on the Patterson Ranch property and restricted industrial uses (including office and R&D uses) on the Cargill Salt property. Development impacts fees on the 266 units and office and R&D uses allowed in this scenario will generate $9.9 million in development impact fees. This would result in the City collecting $600,000 to $3.1 million more in development impact fees than projected for the Initiative area.

Scenario 2: Initiative Farmland

This scenario allows agricultural and related residential uses on the Patterson Ranch property and only open space uses on the Cargill Salt property. Development impacts fees on the nine units allowed in this scenario will generate $225,000 in development impact fees. This would result in a shortfall of $6.6 million to $9.1 million in development impact fees to fund citywide capital facility needs.

Scenario 3: Initiative Residential

This scenario allows agricultural and residential uses on the Patterson Ranch property and only open space uses on the Cargill Salt property, requiring the donation of the land to EBRPD. Development impacts fees on the 100 units allowed in this scenario will generate $2.5 million development impact fees and dedication of 20 acres of parkland. This would result in a shortfall of $4.6 million to $6.8 million in development impact fees to fund citywide capital facility needs.

Scenario 4: Patterson Ranch Proposal

This scenario allows residential, commercial, open space and park uses on the Patterson Ranch property and restricted industrial uses (including office and R&D uses) on the Cargill Salt property. Development

impacts fees on the 800 units and office and R&D uses allowed in this scenario will generate $13.2 million in development impact fees and dedication of 38 acres of citywide parkland and 12 acres of neighborhood serving parks. This would result in the City collecting $5.1 million to $7.3 million more in development impact fees than projected for the Initiative area.

Development Impact Fee Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Increased Fees – Existing Baseline	$3,073,506	($6,578,887)	($4,621,960)	$7,267,696
Increased Fees – 2006 Baseline	$601,634	($9,050,759)	($6,795,248)	$5,094,408

See Tables 21 for detailed analysis

F. HOUSING

1. Housing Element

The State mandates each city to accommodate its "fair share" of housing by adopting a state-certified Housing Element. Under state housing law, the City must identify sufficient land and opportunity sites to accommodate its allotted housing needs as determined by the State and allocated within the region by ABAG. The housing need allocations represent the number of very low-, low-, moderate-, and above moderate-income housing units the city must accommodate within the Housing Element Planning Period (See Table 22). The State certifies each housing element to confirm its compliance with State housing law. The City of Fremont certified housing element was adopted in May 2003 and extends to June 2009. At the end of the housing element planning period, the City will update its Housing Element based on new housing allocations distributed by ABAG. If the City's Housing Element is not certified, the City can be sued, normally by a housing advocacy organization, to force compliance. The following section discusses how the different development scenarios will impact the City's ability to meet its current and future housing needs.

a. **Current Regional Housing Need.** Fremont's Regional Housing Need Determination for the current Housing Element planning period (January 1999 to June 2009) indicated a need for 6,708 new housing units. Of this amount, there is a need for 1,079 very low income units, 636 low income units, 1,814 moderate units, and 3,179 above moderate units.

Between January 1999 to January 2002, Fremont added 1,701 housing units, of which 138 were very low, 34 were low, 13 were moderate, and 1,516 were above moderate. Since January 2002, the City has continued to track housing production and has approved another 1,191 units as of June 2005.[12] Among those units approved, there were 188 very low-income units, 180 low-income units, 70 moderate-income units, and 753 above moderate-income units. As shown on Table 22, the units constructed and the units approved are deducted from the City's Regional Housing Need Determination to determine Fremont's remaining housing need of 3,249 units.

Table 22: Remaining Regional Housing Need

Household Income Level	Total Housing Need Allocation (1999-2009)	Units Added to Housing Stock (1999 - 2002)	Units Approved or Under Construction (Jan. 2002-Jun. 2005)	Remaining Housing Need (June, 2005)
Very Low	1,079	138	259	682
Low	636	34	72	530
Moderate	1,814	13	38	1,763
Above Moderate	3,179	1,516	1,389	274
Total	**6,708**	**1,701**	**1,758**	**3,249**

Notes:

(a) The Regional Housing Need is allocated to the City of Fremont by the Association of Bay Area Governments, assuming the City takes it's regional share of housing as determined by the state.

Sources: City of Fremont, 2004 and 2005 General Plan and Housing Element Annual Reports; Fremont Building Permit records; BAE, 2006.

[12] These units may or may not be under construction as developers do not always begin construction immediately after receiving approvals.

b. **Ability to Meet Current Moderate-Income Housing Need.** While most of the units envisioned under the four scenarios would generate above moderate-income housing, a portion of the housing would be available to moderate-income households through the City's inclusionary housing ordinance. Under Fremont's Inclusionary Housing Ordinance, all new residential development that includes seven or more units (or lots) must provide a minimum of 15 percent of the total units as affordable housing. The Ordinance specifies that for-sale units must be affordable to moderate-income households, and rental units must be affordable to very low- and low-income households.

Due to the inclusionary housing program, the more units planned within the scenario, the more affordable units are developed, which help to address the City's overall housing need. Table 23 estimates the number of inclusionary units each scenario will generate. The Initiative Farmland Scenario 2 would generate approximately 1.35 affordable units, 15 affordable units under Initiative the Initiative Residential Scenario, approximately 40 affordable units under the General Plan Scenario, and 120 affordable units under the Patterson Ranch Proposal Scenario.

Table 23: Affordable Housing Production

Residential Units	General Plan/Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Total Residential Units	266	9	100	800
Total Affordable Units	40	1.35	15	120

Sources: City of Fremont General Plan, June, 2003; City of Fremont Community Development Department, May, 2006; BAE,2006

A comparison of the remaining moderate-income housing need to the potential moderate-income units that would result under the four development scenarios indicates that under Initiative Farmland Scenario 2, the production of 1.35 moderate income units would accommodate less than 0.1 percent of the remaining moderate income housing need. Under the Initiative Residential Scenario 3, the production of 15 moderate income units would accommodate one percent of the remaining moderate income need. The production of 40 moderate income units under existing zoning would accommodate approximately two percent of remaining need. Under the proposed Patterson Ranch development, the production of 120 moderate income units would accommodate approximately seven percent of the remaining moderate income housing need.

Table 24: Affordable Housing Production Compared to Regional Housing Need

	Moderate-Income Housing Production by Scenario							
	General Plan/Zoning		Initiative Farmland		Initiative Residential		Patterson Ranch Proposal	
Remaining Moderate Income Housing Need	Units	% of Mod	Units	% of Need	Units	% of Need	Units	% of Need
1,763	40	2.3%	1.35	0.1%	15	0.9%	120	6.8%

Notes: The remaining moderate-income housing need is after accounting for units constructed or approved since the Housing Element period and the last year's Housing Element progress report.

Sources: City of Fremont, 2004 and 2005 General Plan and Housing Element Annual Reports; Fremont Building Permit records; City of Fremont General Plan, June 2003; City of Fremont Community Development Department, May 2006; BAE, 2006.

c. **Ability to Meet Future Housing Needs.** The City will receive another housing allocation from the State and distributed by ABAG once the current Housing Element period expires in June 2009. At that point, the City is required under State law to update its Housing Element which must identify sites able to accommodate its new housing need allocation. The City's remaining housing capacity will be integral to meeting its future housing allocation.

During the current Housing Element process, the City rezoned a number of commercial and industrial properties and increased the allowed densities on certain residential properties. This resulted in a current capacity of approximately 5,375 housing units. Upon completion of fulfilling its remaining housing need under the current Housing Element of 3,249 units, the City will have a remaining housing capacity of approximately 2,100 housing units, assuming 74 units would be constructed on the Patterson Ranch property.[13]

Any changes to the allowed development on Patterson Ranch will impact the City's ability to meet its future housing needs. Table 25 summarizes how the different development scenarios will change the City's housing capacity after fulfilling the City's current housing need allocation. The General Plan Scenario increases the City's remaining capacity by 192 units after accounting for the City's remaining need under the current Regional Housing Need Allocation. Under the Initiative Farmland Scenario, the City's remaining capacity would decrease by 65 units (i.e. nine units under the Scenario less 74 units assumed under current the inventory). Under the Initiative Residential Scenario, the City's remaining housing capacity would increase by approximately 26 units, or approximately one percent. The Patterson Ranch Proposal increase the City's remaining capacity by 34 percent by adding 726 housing units to the City's remaining housing capacity.

[13] The current adopted Housing Element assumes a unit capacity of 74 units at Patterson Ranch. This is part of the City's remaining site inventory for housing.

Table 25: Change in Housing Capacity by Scenario

Remaining Housing Capacity

Household Income Level	Housing Unit Capacity	Remaining Housing Need	Remaining Housing Capacity	
Very Low	2,000	682	1,318	
Low	1,984	530	1,454	
Moderate	1,196	1,763	(567)	(a)
Above Moderate	195	274	(79)	(a)
Total	**5,375**	**3,249**	**2,126**	(b)

Patterson Ranch Percent Change in Unit Capacity (c)

	General Plan/Zoning	Initiative Farmland		Initiative Residential	Patterson Ranch Proposal
Remaining Capacity	2,126	2,126		2,126	2,126
Change in # of Units (c)	192	-65	(d)	26	726
New Housing Capacity	2,318	2,061		2,152	2,852
% Increase /Decrease	**9%**	**-3%**		**1%**	**34%**

Notes:

(a) A portion of the remaining very low- and low-income capacity is allocated to the moderate- and above-moderate income housing capacity. Sites that can accommodate very low- and low-income housing units can also accommodate moderate and above moderate.

(b) The total remaining capacity after accounting for the City's existing housing need is approximately 2,126 housing units.

(c) The adopted Housing Element site inventory analysis assumes 74 units will be constructed on Patterson Ranch.

(d) Because the remaining housing capacity assumes 74 units at the Patterson Ranch, reduced zoning under the Initiative Farmland Scenario would result in a net decrease in Fremont's remaining housing capacity.

Sources: City of Fremont, Housing Element 2001-2006; City of Fremont 2004 and 2005 General Plan and Housing Element Annual Reports; Fremont Building Permit records; BAE, 2006.

2. Impact on Fremont's Jobs/Housing Balance

a. Background and Definition. One measure of economic and fiscal vitality is the ratio between the number of jobs in a community and the number of employed residents in that community. Theoretically, if this ratio is one or more, it means that there is at least one job in a community for every resident who is working. A ratio of 1:1 for jobs to employed residents is considered ideal for a balanced community.

Housing, employment and transportation are key issues in communities throughout the Bay Area, including Fremont. Supporting economic and employment growth while addressing the associated problems such as an overburdened transportation system, lengthy commute times, and air pollution has been a constant challenge to local governments throughout the region.

Given these conditions, city planners and elected officials in the Bay Area seek to balance the number of housing units with the number of jobs within a given community (the jobs/housing balance). The jobs/housing balance can be expressed statistically as the ratio of employment in a given city divided by

the number of employed residents. A balance of jobs/housing allows people to live closer to where they work, thus reducing commute times, air pollution, and the burden on the regional transportation infrastructure.

b. **Existing Conditions.** As shown in Table 26, data from the Association of Bay Area Governments (ABAG) shows that Fremont has approximately 98,200 jobs. The estimated number of employed residents is 104,140, which translates into a jobs/employed resident of approximately 0.94. The City of Fremont currently has a larger supply of employed residents than jobs, thereby making the City a net exporter of workers. In other words, to achieve the ideal 1 job for every one employed resident, the City would need to add employment.

c. **Development Scenarios.** This analysis considers the four scenarios and their potential impact on Fremont's jobs/housing balance:

Data in Table 26 show that the General Plan Scenario 1 could potentially result in 2,571 employees and 333 employed residents.[14] The Initiative - Farmland Scenario 2 will result in zero employees and 11 employed residents and Initiative - Residential Scenario 3 will generate zero employees and 125 employed residents. Finally, the Patterson Ranch Proposal Scenario 4 will generate 2,752 employees and 1,000 employed residents.

Development under the General Plan could potentially result in 2,239 more workers than employed residents (2,571 employees - 333 employed residents = 2,239). Therefore, under this scenario, the scenario would help ameliorate Fremont's jobs - housing imbalance. The impact is relatively minor, with a change of 0.94 jobs per employed resident to 0.96 jobs per employed resident. Under Initiative Farmland Scenario 2 and Initiative Farmland Scenario 3, the city's jobs per employed resident ratio will remain at 0.94.

The Patterson Ranch Proposal Scenario will generate 2,752 employees and 1,000 employed residents, resulting in the city gaining 1,762 more workers than employed residents. As with the current zoning scenario, the Patterson Ranch proposal would help to ameliorate the current jobs - housing imbalance. This scenario's impact on the overall jobs to employed residents ratio is nominal, adjusting the jobs - employed residents ratio from 0.94 to 0.96.

[14] Assumes the Bay Area average of 1.25 employed residents per household.

Table 26: Jobs/Housing Balance

Existing Jobs:Employed Residents Balance in Fremont and the Bay Area

Summary Variables	Fremont (a)	Bay Area (a)
2006 Jobs	98,180	3,578,670
2006 Households	70,260	2,595,010
Jobs/Housing Ratio	**1.40**	**1.38**
Employed Residents	104,140	3,281,530
Average Employed Residents/Household	**1.48**	**1.26**
Ratio of Jobs to Employed Residents	**0.94**	**1.07**

Projected Change in Fremont's Jobs: Employed Residents Balance

Development Alternatives	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Increase in Jobs and Employed Residents by Scenario				
Number of New Jobs	2,571	0	0	2,762
Number of New Housing Units	266	9	100	800
Average Employed Residents/Household (a)	1.26	1.26	1.26	1.26
Number of New Employed Residents	**336**	**11**	**126**	**1,008**
Change in Fremont's Jobs: Employed Residents Ratio				
Total Employees	100,751	98,180	98,180	100,942
Total Employed Residents	104,476	104,151	104,266	105,148
New Ratio of Jobs to Employed Residents	**0.96**	**0.94**	**0.94**	**0.96**
Jobs/Housing Ratio	**1.43**	**1.40**	**1.40**	**1.42**

Notes:

(a) City and Bay Area jobs, employed residents, and household totals are rounded to the nearest ten.

(b) New employed resident calculations are based on the Bay Area's ratio of 1.25 employed residents per household.

Sources: *Projections 2005,* Association of Bay Area Governments; City of Fremont General Plan, June 2003; City of Fremont Community Development Department, May 2006; Department of Finance, 2006; BAE, 2006.

G. EAST BAY REGIONAL PARK DISTRICT

EBRPD manages a system of 65 regional parks, recreation areas, wildernesses, shorelines, preserves, land banks and 29 completed regional, inter-park trails within Alameda and Contra Costa Counties. Approximately 90% of the District's 96,135 acres of land is protected and operated as natural parklands. Park assets include over 1,100 miles of trails within the parklands; ten freshwater lake swim beaches and lagoons, two San Francisco bay beaches, 28 lake and bay fishing docks and piers; 238 family campsites and 32 group camp areas; and nine interpretive and education centers.

In Fremont's Ardenwood area EBRPD manages Ardenwood Historic Farm and Coyote Hills Regional Park, a regional park abutting the initiative project site. The Regional Park, on the southeast shore of the San Francisco Bay, encompasses 954 acres including the Coyote Hills, a small range of hills at the edge of the bay and a substantial area of wetlands. The hills though not high, provide panoramic views of the bay, three bridges (Dumbarton, San Mateo, and the Bay Bridge), the cities of San Francisco and Oakland, the Peninsula Range of the Santa Cruz Mountains and Mount Tamalpais. The park has a network of hiking trails, most of them also available to horse riders, and 3.5 miles (5.6km) of paved trails available to cyclists. These trails connect to others in the east bay, and the San Francisco Bay Trail passes through the park. The waters to the south and west of the park form part of the San Francisco Bay National Wildlife Refuge.

The EBPRD budget for the Coyote Hills is used to maintain park acreage, building and facilities within the park and run and administer programs at the regional park's interpretive center. Though the Initiative does not specifically identify the owner/maintainer of open space area, for purposes of this analysis it has also been assumed that in the Initiative Residential and Patterson Ranch Proposal Scenarios EBRPD would operate this area as an addition to the Coyote Hills and incur any capital costs necessary to operate the dedicated land.

The purpose of this analysis is to determine if the proposed development will create additional fiscal burdens on EBPRD. If project revenues for a given scenario exceed the full project costs to maintain new parkland it can be concluded that the scenario will not create an additional fiscal burden on EBPRD. How EBPRD will ultimately allocate the new revenues associated with a scenario is a EBPRD Board governmental decision.

The General Plan and Zoning and the Initiative Farmland Scenarios contain no open space dedicated to EBRPD. The Initiative Residential Scenario includes 420 acres and the Patterson Ranch Proposal Scenario includes 246 acres adjacent to the Coyote Hills dedicated to EBRPD.

1. EBRPD Expenditures

Since the loss of property tax revenue to ERAF (after the State reduced local agency share of basic property taxes in the early 1990s), EBPRD staff reports that maintenance activities have lagged behind needs and that deferred maintenance has accrued. ERAF III, part of the State budget deal in 2004, reduced EBPRD property tax by an additional 10 percent including $2.9 million in the 2006 Budget. Current budgets reflect deferred maintenance due to budget shortfalls caused by ERAF and generally costs outpacing revenue sources. Though the above costs may not completely reflect this deferred maintenance, the use of the average cost method is the most accurate way to estimate additional expenditures with out detailed study of additional effort and cost needed to maintain additional acreage art Coyote Hills.

BAE estimated maintenance costs for an expanded regional park based on the current 2006 EBPRD budget. Operations and maintenance costs at the regional park fall into three EBRPD units: the Public Safety Department and the Interpretive Services and the Interpretive Parklands Units of the Operating Division.

The Public Safety Department provides policing and fire safety protection to all EBRPD parks. The Public Safety Department's $16 million 2006 budget serves all of EBRPD land, for an average cost of $167.07 per acre. The Interpretive Services Unit covers the operation and programming of the Coyote Hills interpretive center. Expansion of the regional parks acreage is not expected to increase the need for staff at the interpretive center and therefore has no budgetary affect on the Interpretive Services Unit. The Coyote Hills Regional Park has a 2006 Interpretive Parklands Unit budget of $607,283 serving 954 acres for an average cost of $636.56 per acre. As shown on Table 27, an expansion of park acreage will increase the operations costs at Coyote Hills $321,454 annually in the Initiative Residential Scenario. Operational costs are projected to increase $197,694 in the Patterson Ranch Proposal Scenario.

2. EBRPD Revenue

The major source of funding for EBRPD is property tax; districtwide, EBRPD receives an average of $0.0247 per $100 of assessed value, or 2.47 percent of the base one percent real property tax. On the project site, the District receives approximately 3.3 percent of the one percent base property tax. Due to ERAF III, part of the state budget deal in 2004, EBPRD property tax share is reduced in 2006 by an additional four percent districtwide subtracting $2.9 million from the 2006 Budget. Based on the post-ERAF EBRPD share of property taxes in Fremont, the development scenarios would generate property tax revenues ranging from $6,354 to $255,271 (see Table 27).

Additionally, EBRPD collects property tax above the one percent base tax rate to fund Measure AA Park Facility Bonds. Measure AA allows EPRPD to collect an average of $0.0057 per $100 of assessed value, or 0.57 percent above the base one percent real property tax. These funds are restricted to repaying debt service on EBRPD bonds issued to fund capital project. Measure AA bonds are fully subscribed, no bond monies would be available to fund capital projects for a Coyote Hills park expansion. The development scenarios analyzed would increase funding to the Measure AA debt service fund ranging from $1,154 for the Initiative Farmland Scenario to $46,370 for the Patterson Ranch Proposal Scenario. Additional revenue to these funds would give the district more certainty in repayment of Measure AA bonds and may contribute nominally to increasing the district's future bonding capacity and bond ratings.

Based on estimates of additional EBRPD property tax, the General Plan & Zoning and Initiative Farmland Scenarios would result respectively in new revenue to EBRPD of $196,277 and $6,354. Based on estimates of additional property tax and operating expenses of additional parkland, the Initiative Residential Scenario would result in net new costs of $266,540 and Patterson Ranch Proposal Scenario result in new revenue to EBRPD of $57,576.

EBRPD Net Operating Revenue Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Property Tax Revenue	$196,277	$6,354	$54,914	$255,271
New Expenditures	$0	$0	$337,527	$197,614
Net Operating Revenue	**$196,277**	**$6,354**	**($266,540)**	**$57,576**

See Table 27 for detailed analysis

3. EBRPD Capital Expenditures

EBRPD has not had the opportunity to study needed capital expenditures for an expansion of Coyote Hills Regional Park. Typically EBRPD would conduct an acquisition analysis to evaluate improvements needed to accept a land dedication and expansion of actively used parkland. The acquisition evaluation would focus on improvements needed to bring new parkland to a "land bank" status allowing EBRPD to fence and secure new parkland. A very conservative estimate of land banking costs including all new

Table 27: East Bay Regional Park District Revenues and Expenditures

Existing Budget and Assumptions

EBRPD 2006 General Fund Budget

Coyote Hills	954	Acres		
All EBRPD Parks	96,135	Acres		
All EBRPD Trails	1,150	Miles	63.16	Linear trail feet per acre
Coyote Hills Paved Trails	3.53	Miles	19.54	Linear trail feet per acre
Coyote Hills Interpretive Center	$647,422		$678.64	Per Acre
Coyote Hills - Parkland Unit	$607,283		$636.56	Per Acre
EBRPD Public Safety	$16,061,207		$167.07	Per Acre

Initiative Alternative Assumptions

	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Scenario Specific Assumptions				
Land Dedicated to EBRPD (acres)	0	0	420	245.9
Perimeter - External	0	0	13,600	13,000
Perimeter abutting Park	0	0	11,000	9,500
Additional Assessed Value	$619,875,000	$20,250,000	$175,000,000	$813,503,000

Tax Calculation Assumptions		
Total EBRPD Property Tax	$72,498,500	from EBRPD 2006 Budget
Property Tax Lost to ERAF III	$2,900,000	from EBRPD 2006 Budget
Share of Base Property Tax	3.263437%	of Assessed Value (from Alameda County Assessor-Controller)
ERAF Adjusted Property Tax Share (a)	3.137918%	of Assessed Value
Measure AA Bond	0.57%	of Assessed Value

Park Capital Expenditures

Fencing - Chain Link	$20	per linear foot
Fencing - Split Rail	$85	per linear foot
Trails	$5	*per square foot*

Additional Revenues and Operating Costs

New General Fund Revenue	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
New Property Tax Revenue	$194,512	$6,354	$54,914	$255,271
Measure AA Bond	$35,333	$1,154	$9,975	$46,370
Total New Revenue	**$229,845**	**$7,509**	**$64,889**	**$301,640**
New Expenditures				
Coyote Hills Parkland Unit	$0	$0	$267,357	$156,531
EBRPD Public Safety	$0	$0	$70,169	$41,083
Total New Expenditures	**$0**	**$0**	**$337,527**	**$197,614**
Net EBRPD Operating Surplus/(Deficit) (b)	**$194,512**	**$6,354**	($282,613)	**$57,657**

Capital Costs

Land Bank Expenditures	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Rail Fence (External Perimeter)	$0	$0	$1,156,000	$1,105,000
Chain Link Fence (Park Perimeter)	$0	$0	$220,000	$190,000
Land Bank Expenditures	**$0**	**$0**	**$1,376,000**	**$1,295,000**
Potential Capital Expenditures				
Trails	$0	$0	$1,326,391	$776,571
Staging Area	$0	$0	$500,000	$500,000
New Interpretive Center	$0	$0	$5,000,000	$5,000,000
Potential Capital Expenditures	**$0**	**$0**	**$6,826,391**	**$6,276,571**

Notes:
(a) Estimated by adjusting the local property tax rate by the districtwide ERAF III tax loss.
(b) Does not include restricted Measure AA revenue.

Sources: EBRPD Staff, EBRPD 2006 Budget; Bay Area Economics, 2006.

fencing, with EBRPD's signature split rail fence along the visible perimeter of the park along Paseo Padre, would range from $1.3 to $1.4 million.

Bringing new parkland into active use at Coyote Hills requires further study including potentially a master planning process for the regional park. However, from discussion with EBRPD staff future plans could include additional paved trails, a new staging area (to provide parking and restrooms in the new area of the park) and potentially a new interpretive center. The existing center is old and expensive to maintain and new parkland may call for reconfiguration of traffic flow and a new placement for the interpretive center. Assuming that new park acreage would have paved trails in the same proportion as the existing park (3.53 miles of paved trail serving 954 acres or approximately 63 linear trail feet per acre), new trail costs would range from approximately $775,000 in the Patterson Ranch Scenario to $1.26 million in the Initiative Residential Scenario. Based on projected costs for comparable project in the 2006 EBRPD Capital Improvement Plan, construction of a staging area would cost approximately $500,000 and a new interpretive center would cost approximately $5 million.

EBRPD Potential Capital Needs

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Land Bank Costs	$0	$0	$1,376,000	$1,295,000
Potential Capital Costs	$0	$0	$6,826,391	$6,276,571
Total Potential Costs	**$0**	**$0**	**$8,202,391**	**$7,571,571**

See Table 27 for detailed analysis

As shown on Table 27, potential capital costs estimates total $8.2 million and $7.6 million respectively for the Initiative Residential and Patterson Ranch Proposal Scenarios. It should be emphasized these are very preliminary capital cost estimates and include nothing for habitat restoration or other potential parkland projects. It should be noted that none of these capital projects has an identified funding source (though the Patterson Ranch Scenario shows a small annual surplus). If additional developer funding could not be secured, it is very likely that that any new park dedication in the Initiative Residential or Patterson Ranch Scenarios would result in these new lands in a land bank status for a substantial period, with no or minimal public access to new parkland and no new improvements or public use facilities.

H. FREMONT UNIFIED SCHOOL DISTRICT

The Fremont Unified School District (FUSD) serves approximately 32,000 students living in Fremont and its environs. FUSD operates 41 schools including five traditional high schools, one continuation school (serving high school and junior high students), one adult school, five junior high schools, 28 elementary schools, and one preschool. FUSD has an annual General Fund budget of approximately $225 million in fiscal year 2004-05.

This analysis focuses on the capital costs associated with the development scenarios. Capital cost impacts result primarily from costs of additional school facilities, related furnishing and equipment, and projected capital maintenance requirements. Projected facilities requirements are based on District facilities standards adopted in 1997 as a part of FUSD's *Long Range Facilities Master Plan 1997-2005*. Facilities standards are affected by State facilities and program standards, District program requirements (including student-teacher ratios), and changes in teaching methods, technologies, and health and safety considerations. FUSD is in the process of updating its *Long Range Facilities Master Plan 1997-2005*.

This analysis estimates the share of District capital costs that can be allocated to impacts created by each development scenario. However, it should be noted that cumulative impacts from the development scenarios in concert with other development in the District may require expenditures for non-incremental capacity expansion that is difficult to predict at this time. Fremont has recently increased conversions of nonresidential zoning to residential zoning, and also increased development density on many residentially-zoned parcels. The uncertain nature of infill development and other development in Fremont makes it difficult to predict the cumulative effect on school facilities needs based on past projections and generation rates. Accordingly, the District has recently commissioned an update to its demographic study of student generation and facilities needs. This study is still in preparation, and the updated information it will provide is needed to more accurately assess the future impact of proposed development, such as the scenarios envisioned for the Patterson Ranch property.

Under current District attendance area boundaries, the Patterson Ranch property is located in the American High School Attendance Area, and this analysis applies the current attendance area designation.

1. Student Generation

In order to assess expected impacts from the development scenarios, BAE used student generation rates provided by FUSD to estimate the number of new students that are expected from the development scenarios. FUSD's student generation rates are based on current generation rates; however, a demographic study is currently being conducted, and these rates are subject to future adjustment. Actual generation rates will be dependent on housing types constructed, and are further sensitive to demographic timing considerations and other factors. The projected number of students are, therefore, estimates only. These estimated projections are based on complete build-out of the residential units permitted under the proposed scenario. As shown in Table 28, the scenarios would be expected to generate as few as eight new students, spread between various grade levels, in the Initiative Farmland Scenario, and as many as 634 new students, including a potential of 325 elementary students, under the Patterson Ranch Proposal Scenario.

Elementary School

Development under the General Plan & Zoning, Initiative Farmland, and Initiative Residential are expected to generate, respectively, 123, 4, and 46 elementary students. Under the Patterson Ranch Proposal Scenario, 325 new elementary students are projected.

Currently, elementary school capacity within the American High School Attendance Area is fully enrolled. There is no available capacity at the elementary school level in the American High School Attendance Area to accommodate new students without constructing additional school facilities. Recently, a 276-unit development (Villa D'este) adjacent to the Patterson Ranch property was approved. When considered together with elementary students from other new development (including the 276 units approved at Villa D'este at Ardenwood and Paseo Padre) and overflow from the North Fremont area elementary schools, it appears that construction and operation of a new elementary campus will likely be needed to house students generated by development of the Patterson Ranch property. However, school facilities impact fees from new development will not be sufficient to cover costs of a new elementary school. Additional funds from state sources, local bond

Table 28: FUSD Student Generation Calculations

Development & Student Generation Assumptions

Development Program	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Residential				
Single-family units	266	100	9	557
Multi-family units	-	-	-	223
Loft Units	-	-	-	20
Total Units	**266**	**100**	**9**	**800**
Commercial				
Retail (Sq. Ft.)	-	-	-	40,000
R & D (Sq. Ft.)	900,000	-	-	900,000
Total Commercial Sq. Ft.	**900,000**	**-**	**-**	**940,000**

	Students Generated Per Unit			
Student Generation Rates	**K-6**	**7-8**	**9-12**	**Total**
Single-family units	0.463	0.145	0.294	0.902
Multi-family units (including loft units)	0.278	0.087	0.176	0.541

Student Generation by Scenario

General Plan & Zoning	**K-6**	**7-8**	**9-12**	**Total**
Single-family student generation	123	39	78	240
Multi-family student generation	-	-	-	-
Loft Units	-	-	-	-
Total student generation	**123**	**39**	**78**	**240**

Initiative Farmland	**K-6**	**7-8**	**9-12**	**Total**
Single-family student generation	4	1	3	8
Multi-family student generation	-	-	-	-
Loft Units	-	-	-	-
Total student generation	**4**	**1**	**3**	**8**

Initiative Residential	**K-6**	**7-8**	**9-12**	**Total**
Single-family student generation	46	15	29	90
Multi-family student generation	-	-	-	-
Loft Units	-	-	-	-
Total student generation	**46**	**15**	**29**	**90**

Patterson Ranch Proposal	**K-6**	**7-8**	**9-12**	**Total**
Single-family student generation	258	81	164	502
Multi-family student generation	62	19	39	121
Loft Units	6	2	4	11
Total student generation	**325**	**102**	**207**	**634**

Sources: Fremont Unified School District, *Bay Area Economics*, 2006.

funds, and/or other capital funds sources will be required to supplement developer fees unless other mitigation of facilities needs is provided by the land owner and/or developers.

Unless other mitigation measures are agreed upon, school facilities fees paid by the developer will be used to create additional capacity at existing District elementary schools to the extent that sites can sustain expansion. Four of the six elementary school sites in this attendance area cannot be expanded to any material degree due to site size or other site constraints. Depending upon the number of students generated in the resulting scenario, if sufficient funds to construct necessary school facilities are not available, or if school expansion is not possible at existing sites, the District may be required to consider other, less desirable means of accommodating the increases in student population, such as attendance area adjustments, changes in District programs, changes to student classroom loading, scheduling modifications, and other means to maintain student populations at school campuses within the capacity of core campus facilities and classroom capacities.

Junior High School and High School

The four development scenarios generate from one to 102 junior high students and three to 207 high school students. The current junior high school assigned for this attendance area is Thornton Junior High School, and the assigned high school is American High School.

Both the Thornton Junior High School campus and the American High School campus are currently at full capacity. Very little room for expansion is available at these campuses. Even if additional classrooms and core facilities at these schools are added to the maximum extent of the site capacities, it currently appears unlikely that junior high school and high school students from the development of the Patterson Ranch property can be housed at these schools. If the number of students from the development cannot be accommodated at these schools, or if the necessary expansion is not feasible or recommended, the District may be required to resort to more difficult accommodations with wider-ranging effects such as assigning the students to other campuses, adjusting attendance area boundaries, modifying District programs, or changing school scheduling to year-round calendars to increase usable capacity.

Cumulative Growth

If cumulative population growth throughout the District results in the continuing growth of student populations, it is possible that development of the property under any of the development scenarios except the Initiative Farmland Scenario will require non-incremental expansion of school capacities that cannot be accommodated at the existing school sites. Capital costs in such a situation may be greater than estimated in this analysis.

2. School Capital Costs

Capital cost impacts result primarily from costs of additional school facilities, related furnishings and equipment, and projected capital maintenance requirements. Projected facilities requirements are based on District facilities standards adopted in 1997 as a part of FUSD's *Long Range Facilities Master Plan 1997-2005*. Facilities standards are affected by State standards and requirements, District program requirements (including student-teacher ratios), and changes in teaching methods, technologies, and health and safety considerations.

Considered in isolation, development of the Patterson Ranch property under any of the four development scenarios would not generate sufficient students to meet District minimum campus sizes to support the construction or operation of a new school. The FUSD *Long Range Facilities Master Plan 1997-2005* sets out site capacities for schools with the objective of avoiding smaller schools which are inefficient

to operate and larger schools which are more difficult to manage. The recommended range of capacities for school sites are: 1) Elementary Schools, 420-840; 2) Junior High Schools, 600-1200; 3) High Schools, 1200-2400.

For purposes of this analysis, BAE has assumed that the students generated by the development scenarios will create a capital impact as an allocated proportional share of a new elementary, junior high and high school. The FUSD facilities standard for elementary school sites is 10 acres. However, the conceptual plan for the Patterson Ranch Proposal currently identifies a new elementary school site of 8.6 acres, below this standard. Based on FUSD staff and consultant input, the parameters for these potential new schools were developed for purposes of this analysis. New facilities assumptions include: 1) a 600 student elementary school on 8.6 acres, 2) an 800 student junior high school on 20 acres; and 3) a 1500 student high school on 40 acres.

Based on student generation shown in Table 28, BAE has estimated the allocated capital costs of new elementary, junior high school and high school costs according to the percentage of facility capacity represented by students estimated in each development scenario. FUSD staff estimates the development and land costs for new elementary, junior high, and high schools to be, respectively, $20.3 million, $46.6 million and $110 million assuming $800,000 per acre for land acquisition costs. Construction of new school facilities may be eligible for State grant funds to defray part of the development costs. Based on FUSD staff experience, the proportion of funding that can be expected from State grants, if funds are available and if eligibility is determined, is shown on Table 29 for each school facility. Table 29 shows the allocated costs of new school facilities for each development scenario as well as estimates of the share potentially paid by State grants.

Allocated School Capital Cost Summary

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Allocated Capital Costs	$12,145,000	$411,000	$4,566,000	$32,081,000
Allocated State Grant	($3,540,000)	($120,000)	($1,331,000)	($9,351,000)
Share of Allocated Costs	$8,605,000	$291,000	$3,235,000	$22,730,000

See Table 29 for detailed analysis

Additional facilities will carry capital maintenance and renovation costs. Currently, funding for capital maintenance and renovation is not fully covered by the State. Bond measures have been passed by the Fremont voters to cover identified projects for the renovation and long-term capital maintenance costs of existing facilities in the District. The costs of capital maintenance and renovation for any new facilities may require additional bond measures in the future. This analysis has not attempted to estimate potential maintenance and renovation costs associated with the development scenarios.

3. Developer Impact Fees and Land Donation

FUSD has newly updated development impact fees, adopted in March 2006, that generate funds to build classrooms and other school facilities to serve students from new developments. These fees generate $2.63 per residential square foot developed. In addition, FUSD receives $0.42 per square foot for construction of new commercial space. Table 29 shows developer impact fees generated by each development scenario.

As part of the Patterson Ranch Proposal Scenario, dedication of an 8.6 acre elementary school site is assumed. Assuming that the site is sufficient in size and otherwise acceptable to FUSD as a location for a new elementary school, the school site will represent a significant contribution toward the capital costs of new facilities. Standard estimates of land costs for school development are approximately 25 percent of

construction costs. This assumption is published by the California Department of Education in providing an annual estimate of school construction costs.[15] However, land values in Fremont are significantly higher than the state average. Based on discussions with City and FUSD, BAE has used an estimate of $800,000 per acre for the value of the assumed developer land donation.

Total sources of capital for school development from developer impact fees and land donation are shown on Table 29 and summarized below.

Summary of Capital Funding Sources

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Impact Fees	$2,827,000	$107,000	$789,000	$5,465,000
Land Donation	$0	$0	$0	$6,880,000
Total Funding	$2,827,000	$107,000	$789,000	$12,345,000

See Table 29 for detailed analysis

[15] California Department of Education. "Basic Construction Data." *Fact Book 2005: Handbook of Education Information.*

Table 29: FUSD Initiative-Related Capital Costs

Assumptions

				Source/Comment:
Land Costs	$800,000 per acre			*FUSD Staff*
Development Costs	**Elementary**	**Jr. High**	**High School**	
Development Costs (Hard & Soft Costs)	$13,400,000	$30,600,000	$78,000,000	*FUSD Staff*
Land Cost	$6,880,000	$16,000,000	$32,000,000	*See above*
Total Cost (Including Land)	**$20,280,000**	**$46,600,000**	**$110,000,000**	
Expected State Grant (% of total cost)	38.7%	25.6%	23.6%	*FUSD Staff*
School Site Size	8.6	20	40	*8.6 acre school site in the Patterson Ranch Proposal is smaller tha*
School Capacity	600	800	1,500	*FUSD standards.*

Capital Costs (Uses)

Elementary School	**General Plan & Zoning**	**Initiative Farmland**	**Initiative Residential**	**Patterson Ranch Proposal**	*Source/Comment:*
Development Costs Net of Land	$20,280,000	$20,280,000	$20,280,000	$20,280,000	
Project Share of Capacity	20.5%	0.7%	7.7%	54.2%	
Allocated Cost	**$4,162,740**	**$140,845**	**$1,564,940**	**$11,000,041**	
Jr. High					
Total Development Cost	$46,600,000	$46,600,000	$46,600,000	$46,600,000	
Project Share of Capacity	4.8%	0.2%	1.8%	12.7%	
Allocated Cost	**$2,247,000**	**$76,000**	**$844,625**	**$5,936,025**	
High School					
Development Costs	$110,000,000	$110,000,000	$110,000,000	$110,000,000	
Project Share of Capacity	5.2%	0.2%	2.0%	13.8%	
Allocated Cost	**$5,734,960**	**$194,040**	**$2,156,000**	**$15,145,240**	
Development Costs Incurred by District					
Total Development Costs	**$176,880,000**	**$176,880,000**	**$176,880,000**	**$176,880,000**	
Less Expected State Grant	($45,738,000)	($45,738,000)	($45,738,000)	($45,738,000)	*From FUSD*
Expected Total Cost to District	**$131,142,000**	**$131,142,000**	**$131,142,000**	**$131,142,000**	
Development Costs Attributable to New Development					
Total Allocated Development Costs	**$12,145,000**	**$411,000**	**$4,566,000**	**$32,081,000**	
Less Allocated Share of State Grant	($3,540,000)	($120,000)	($1,331,000)	($9,351,000)	*From FUSD*
Expected Share of Allocated Costs	**$8,605,000**	**$291,000**	**$3,235,000**	**$22,730,000**	

Revenue (Sources)

School Impact Fee	**General Plan & Zoning**	**Initiative Farmland**	**Initiative Residential**	**Patterson Ranch Proposal**	*Source/Comment:*
Single-Family Units	266	9	100	557	
Single-Family Fee Per Unit	$2.63	$2.63	$2.63	$2.63	
Single-Family Units Average Size (Sq. Ft.)	3,500	4,500	3,000	2,850	
Single-family Subtotal	*$2,449,000*	*$107,000*	*$789,000*	*$4,175,000*	
Multifamily Units	-	-	-	243	
Multifamily Units Average Size (Sq. Ft.)	n/a	n/a	n/a	1,400	
Multifamily Fee Per Unit	n/a	n/a	n/a	$2.63	
Multifamily Subtotal	*$0*	*$0*	*$0*	*$895,000*	
Commercial (Sq. Ft.)	900,000	-	-	940,000	
Fee Per Sq. Ft.	$0.42	$0.42	$0.42	$0.42	
Commercial Subtotal	*$378,000*	*$0*	*$0*	*$395,000*	
Total Impact Fee	**$2,827,000**	**$107,000**	**$789,000**	**$5,465,000**	
Donation of Land					
Elementary School Site	$0	$0	$0	$6,880,000	*Scenario 4 assumes donation of elementary site.*
Total Value of Land	**$0**	**$0**	**$0**	**$6,880,000**	
Total Sources for Capital Projects	**$2,827,000**	**$107,000**	**$789,000**	**$12,345,000**	

Impacts of Development Scenarios

Impact without State Funds	**General Plan & Zoning**	**Initiative Farmland**	**Initiative Residential**	**Patterson Ranch Proposal**
New Sources for Capital Projects	$2,827,000	$107,000	$789,000	$12,345,000
Less Allocated Share of Capital Costs	($12,145,000)	($411,000)	($4,566,000)	($32,081,000)
Net Impact without State Funds	**($9,318,000)**	**($304,000)**	**($3,777,000)**	**($19,736,000)**
Impact with State Funds				
New Sources for Capital Projects	$2,827,000	$107,000	$789,000	$12,345,000
Less Allocated Share of Capital Costs	($8,605,000)	($291,000)	($3,235,000)	($22,730,000)
Net Impact with State Funds	**($5,778,000)**	**($184,000)**	**($2,446,000)**	**($10,385,000)**

Sources: Fremont Unified School District; BAE, 2006.

4. Summary of Net Impact to FUSD Capital Facilities

Looking at overall impacts to FUSD capital facilities planning, the development scenarios all show a shortfall in capital funding. The General Plan & Zoning Scenario shows a net capital impact to FUSD of approximately $5.8 million. The Initiative Scenarios generate an allocated shortfall for the Farmland and Residential Scenarios of, respectively, $184,000 and $2.4 million. The Patterson Ranch Proposal Scenario shows a shortfall of almost $10.4 million. As noted above, it is never certain that State funding will be available for capital projects. If State grant funding is not available, the shortfall deepens for all development scenarios.

Summary of Capital Facility Impacts

Scenario	General Plan & Zoning	Initiative Farmland	Initiative Residential	Patterson Ranch Proposal
Funding Sources	$2,827,000	$107,000	$789,000	$12,345,000
Allocated Costs	($8,605,000)	($291,000)	($3,235,000)	($22,730,000)
FUSD Capital Impact	($5,778,000)	($184,000)	($2,446,000)	($10,385,000)

See Table 29 for detailed analysis

In a "best case" outcome, the Patterson Ranch Scenario would include the donation of a turn-key elementary school, receipt of State grants, and payment to the District of all developer impact fees. Such "best case" outcome results in a capital surplus of up to $3 million. It should be noted that a "turn key" elementary school is not used as a baseline assumption for this analysis of the Patterson Ranch Scenario, but is described in the scenario's conceptual project description. In a "worst-case" outcome, assuming payment of only developer impact fees, no State grants, and no contribution of a school site or turn-key school, the impact to the District is an approximately $16,616,000 shortfall to provide school facilities for projected students from the Patterson Ranch Scenario.

I. BUSINESS RETENTION AND ATTRACTION

BAE has analyzed the development scenarios impacts on business retention and attraction including land uses that support business and overall fiscal and capital impacts to the City of Fremont.

Ardenwood Biotechnology Cluster

The Bay Area is attractive to the biotechnology industry because of its unique resources including research institutions, highly trained biotech workforce, international connections, support for new and emerging businesses, and access to venture capital. The City of Fremont has developed a strong life science business base comprised of approximately 40 firms, most in the Ardenwood area, using its regional advantages as well as the availability of development sites and streamlined permitting for new and expanding businesses. The City of Fremont has made pursuit of a life science cluster a major economic development initiative. In April 2006, the City of Fremont Office of Economic Development received an Award of Merit from the California Association for Local Economic Development for the City's Biotech Recruitment and Retention Strategy. The strategy serves as an innovative solution to allow the City access to the burgeoning market of biotech and life sciences.

Life sciences firms are often owned by large international "Big Pharma" firms but operated as independent units. Life sciences uses in Ardenwood include headquarters of these units, research & development facilities, and pilot manufacturing sites. There are several small to medium size life sciences companies (or independent units) headquarter in Ardenwood each leasing 100,000 to 300,000 square feet. Its low cost (vis-à-vis the South Bay), proximity to I-880 and the Dumbarton Bridge and the ability to expand facilities in Ardenwood (due to available buildings and land) have been key drivers of the growth of the cluster.

The Ardenwood Corporate Park is the location of most biotechnology firms in Fremont. This business park has approximately 235 acres of land, including 172 developed acres with approximately 2.5 million square feet. Approximately 1.6 million square feet was built out in the late 1980s as warehouse and industrial space. Since the late 1990s the business park has seen development and conversions of existing buildings to office and R&D uses. The business park has approximately 63 vacant acres with no single vacant development site over 20 to 25 acres.

The biotechnology cluster was recently strengthened by the acquisition of Sun Microsystems' 1.4 million square foot campus in adjacent Newark by BioMed Realty Trust (BMR). BMR already owns property in Ardenwood, retrofitting existing buildings for life science uses. This announcement makes Newark a viable competitive location for life since companies. Currently Newark only has one life science firm.

Though life science users require excellent utilities and ideally clear height of 17 to 18 feet, BMR has been successful retrofitting buildings such as the Sun campus with 13 foot to 15 ½ foot ceiling heights. The Sun Campus also has entitlements for an additional 400,000 of office/R&D development. BMR has indicated its intention to market the campus to life science users. Locally active brokers believe BMR can lease up the facility within 24 months.

Though the Sun Campus is a positive addition to the life science cluster, it indicates that Fremont has competition locally for biotechnology jobs. To remain competitive, Fremont must continue to offer the advantages sought by these firms including the availability of development sites and streamlined permitting for new and expanding businesses.

Scenario 1: General Plan & Zoning

This scenario allows residential and agricultural uses on the Patterson Ranch property and restricted industrial uses (including office and R&D uses) on the Cargill Salt property. Based on estimates from the owners of the Cargill Salt property, this scenario would add approximately 45 developable acres to the Ardenwood Business Park area with a total development potential of 900,000 square feet. The availability of a contiguous 45 acre development site may allow Fremont to attract a campus user in life sciences or even a high tech company willing to "cross the bridge" for a campus opportunity. Regardless of the campus opportunity, 45 acres or 900,000 square feet of development adds significantly to the inventory of available development sites to the Ardenwood area. This represents an approximately 20 percent increase in the total land area of the business park and 35 percent increase over the existing developed square footage. This will aid the City in pursuing expansion of the biotech cluster.

Scenario 1 has positive fiscal and capital funding impacts, posing no burdens to the City that could affect the ability of the City to provide services to the business or development community.

Scenario 2: Initiative Farmland

This scenario allows agricultural and related residential uses on the Patterson Ranch property and only open space uses on the Cargill Salt property. This scenario will limit the expansion of the Ardenwood cluster and result in greater competition from Newark for life science jobs.

Scenario 2 has a small positive fiscal impact, but will cause a shortfall in citywide capital facility funding of approximately $1.6 million to $1.9 million. This will create further pressure on municipal finances and services and may affect the City's ability to provide services to the business or development community.

Scenario 3: Initiative Residential

This scenario allows agricultural and residential uses on the Patterson Ranch property and only open space uses on the Cargill Salt property, requiring the donation of the land to EBRPD. As in Scenario 2, this scenario will limit the expansion of the Ardenwood cluster and result in greater competition from Newark for life science users.

Scenario 2 has small but positive fiscal and capital funding impacts, posing no burdens to the City that could affect the ability of the City to provide services to the business or development community.

Scenario 4: Patterson Ranch Proposal

This scenario allows residential, commercial, open space and park uses on the Patterson Ranch property and restricted industrial uses (including office and R&D uses) on the Cargill Salt property. As in Scenario 1, this scenario would add approximately 45 developable acres and 900,000 square feet to the Ardenwood area. The availability of a large site may allow Fremont to attract a "campus" user and would add significantly to the inventory of available development sites to the Ardenwood area.

Scenario 4 has positive fiscal and capital funding impacts, posing no burdens to the City that could affect the ability of the City to provide services to the business or development community.

APPENDICES

APPENDIX A: FREMONT SERVICE POPULATION ASSUMPTIONS

Appendix A: Fremont Service Population, Household Density, and Employment Assumptions

	2006	Source
Residents (DOF)	210,158	DOF
Employees (ABAG) (a)	98,179	ABAG
Service Population (b)	259,247	DOF
Households (DOF)	70,261	ABAG
Average Household Size (DOF)	2.97	DOF
Household Density Assumptions (Persons Per Unit)		
Single-Family Low Density	3.17	Fremont General Plan
Single-Family Medium Density	3.17	Fremont General Plan
Townhomes	3.17	Fremont General Plan
Multifmamily	3.17	Fremont General Plan
Employment Density Assumptions (Jobs per Acre)		
Commercial - Neighborhood Retail	26	Fremont General Plan
Industrial - Limited	35	Fremont General Plan

Notes:
(a) The Associaiton of Bay Area Governments Projections 2005 provides job estimates by city for 2005 and projections thereafter. The jobs esimates are based on projected annual job growth of 1.7 percent per year and 2005 estimates.
(b) The service population is sum of all Fremont residents plus one-half of total employment in 2006.

Sources: City of Fremont General Plan, City of Fremont, June, 2003; City of Fremont Community Development Department, City of Fremont, 2006; Projections 2005, ABAG, 2005; Department of Finance, 2006; BAE, 2006.

APPENDIX B: HOME PRICE APPRECIATION VERSUS INFLATION

Appendix B: Bay Area Home Price Appreciation Versus Inflation, 1976-2004

	Oakland-Fremont-Hayward		SF-OAK-SJ	
Year	**Index**	**Year**	**CPI**	
1981	53.5	1981	90.8	
1982	55.0	1982	97.6	
1983	56.1	1983	98.4	
1984	57.5	1984	104.0	
1985	61.0	1985	108.4	
1986	64.8	1986	111.6	
1987	70.7	1987	115.4	
1988	78.2	1988	120.5	
1989	92.7	1989	126.4	
1990	110.0	1990	132.1	
1991	108.3	1991	137.9	
1992	107.9	1992	142.5	
1993	106.0	1993	146.3	
1994	104.2	1994	148.7	
1995	100.0	1995	151.6	
1996	101.6	1996	155.1	
1997	101.8	1997	160.4	
1998	110.7	1998	165.5	
1999	121.7	1999	172.5	
2000	143.1	2000	180.2	
2001	173.3	2001	189.9	
2002	186.0	2002	193.0	
2003	203.2	2003	196.4	
2004	219.6	2004	198.8	
2005	270.8	2005	202.7	
Annual Increase	7.0%		3.4%	
Above Bay Area CPI	3.6%			

Notes:
(a) The House Price Index measures changes in the value of single-family homes by tracking transactions involving conforming, conventional mortgages purchased or securitized by Fannie Mae or Freddie Mac.

Source: Office of Federal Housing Enterprise Oversight, Bureau of Labor Statistics, Bay Area Economics, 2005.

APPENDIX C : MARKET FOR-SALE COMPARABLES

Appendix C Table 1: Townhouses and Condos

PROJECT NAME Builder *Floorplan*	Sales Dates	Total Units/ Units Sold	Minimum Lot Size	Unit Type	Sales Price	Finished Sq. Ft.	Price Per Sq. Ft.
Fremont							
TERRACE HOMES	5/1/2004	25/24	N/A	Flat	$509,000-$559,888	1,114-1,203	$423.11-$471.68
Robson Homes							
Plan 1		8		2 BR /2 BA	$559,888	1,187	$471.68
Plan 2		8		2 BR /2 BA	$525,000	1,114	$471.27
Plan 3		8		2 BR /2 BA	$509,000	1,203	$423.11
ALTA MAR VILLAS	11/19/2005	135/42	N/A	Flat	$349,000-$524,000	580-940	$557.45-$625.35
Pacifica Companies							
Avalon		15		1 BR/1 BA	$349,000	580	$601.72
Balbon		15		2 BR/2 BA	$444,000	710	$625.35
Catalina		12		3 BR/3 BA	$524,000	940	$557.45
SEQUOIA CROSSING	6/30/2005	60/54	1,132	Two-Story	$649,900-$709,900	1,519-1,864	$380.85-$427.85
Castle Companies							
Centerville St		27		3 BR/2.5 BA	$649,900	1,519	$427.85
Washington Twp		27		3 BR/2.5 BA	$709,900	1,864	$380.85
CAPISTRANO AT FREMONT	6/5/2006	54/52	N/A	Two & Three-Story	$660,950-$765,950	1,290-1,533	$499.64-$518.31
Lennar Homes							
Residence One (Three-Story)		16		2 BR/2.5 BA	$660,950	1,290	$512.36
Residence Two (Two-Story)		19		3 BR/2.5 BA	$762,950	1,472	$518.31
Residence Three (Three-Story)		17		3 BR/2.5 BA	$765,950	1,533	$499.64
PASEO HOMES	5/01/04 & 11/01/04	81/81	N/A	Two-Story	$543,000-$699,000	1,112-1,584	$441.29-$488.31
Robson Homes							
Plan 1		28		2 BR/2 BA	$543,000	1,112	$488.31
Plan 2		26		3 BR/2.5 BA	$664,000	1,399	$474.62
Plan 3		27		3 BR/2.5 BA	$699,000	1,584	$441.29
PARK HOMES	5/01/04 & 11/01/04	49/44	N/A	Two-Story	$648,888-$688,888	1,670-1,801	$388.56-$382.50
Robson Homes							
Plan 1		22		3 BR/2.5 BA	$648,888	1,670	$388.56
Plan 2		22		3 BR/2.5 BA	$688,888	1,801	$382.50

Appendix C Table 1: Townhouses and Condos

PROJECT NAME Builder *Floorplan*	Sales Dates	Total Units/ Units Sold	Minimum Lot Size	Unit Type	Sales Price	Finished Sq. Ft.	Price Per Sq. Ft.
Fremont (Continued)							
GARDEN HOMES	5/01/04 & 5/01/05	39/38	N/A	Two-Story	$822,517-$895,600	1,816-2,010	$429.74-$461.94
Robson Homes							
Plan 1		13		3 BR/2.5 BA	$838,888	1,816	$461.94
Plan 2		13		4 BR/2.5 BA	$822,517	1,914	$429.74
Plan 3		12		4 BR/2/5 BA	$895,600	2,010	$445.57
ABBEY TERRACE	9/1/2005	64/52	N/A	Flat	$ 325,000-$410,000	674-823	$481.28-$498.18
Innovative Reality Services							
Redlard		18		1 BR/1 BA	$325,000	674	$482.20
Star Magnolia		17		2 BR/1 BA	$360,000	748	$481.28
Sugar Maple		17		2 BR/2 BA	$410,000	823	$498.18
Union City							
PACIFIC TERRACE	2/15/06 & 6/01/06	216/52	N/A	Two-Story	$522,000-$636,000	1,203-1,675	$379.70-$433.92
KB Homes							
The Anderson		16		2 BR/2.5 BA	$522,000	1,203	$433.92
The Benedict		18		3 BR/2.5 BA	$578,000	1,431	$403.91
The Courtney		18		3 BR/2.5 BA	$636,000	1,675	$379.70
Totals/Averages		**439**			**$610,484**	**1,362**	**$461.52**

Sources: Meyers Group; BAE, 2006.

Appendix C Table 2: Single Family (4,000 - 7,000 Square Foot Lots)

PROJECT NAME Builder *Floorplan*	Sales Dates	Total Units/Units Sold	Minimum Lot Size	Unit Type	Sales Price	Latest Sale Price	Finished Sq. Ft. Range	Price Per Sq. Ft. Range
Union City								
PACIFIC POINTE	11/19/2004 & 12/07/04	119/119	4,500	Ranch & Two-Story	$903,000 - $1,188,000		2,253-3,655	$274.15-$411.01
KB Homes								
Plan 1 (Two-Story)		28		3 BR /2 + 1/2 BA	$926,000	N/A	2,253	$411.01
Plan 2 (Ranch)		10		3 BR + Den /2 BA	$905,000	N/A	2,325	$389.25
Plan 3 (Two-Story)		28		3 BR + Den /2 + 1/2 BA	$903,000	N/A	2,472	$365.29
Plan 4 (Two-Story)		27		4 BR + Den /2 + 1/2 BA	$903,000	N/A	2,592	$348.38
Plan 5 (Two-Story)		10		3 BR + Den/2+1/2 BA	$1,188,000	N/A	3,163	$375.59
Plan 6 (Two-Story)		9		4 BR/2 + 1/2 BA	$987,000	N/A	3,308	$298.37
Plan 7 (Two-Story)		7		5 BR + Den/2 + 1/2 BA	$1,002,000	N/A	3,655	$274.15
TRADITIONS AT TALAVERA	3/11/2006 & 7/15/06	124/15	4,500	Two-Story	$1,040,000-$1,102,000		2,742-3,367	$327.29-$379.29
Summerhill Homes								
The Gorham		2		4 BR/3 BA	$1,040,000	$1,040,000	2,742	$379.29
The Dresden		4		5 BR/4 BA	$1,054,000	$1,054,000	2,967	$355.24
The Wedgwood		5		5 BR/4 BA	$1,076,500	$1,076,500	3,147	$342.07
The Haviland		4		4 BR + Den/4 BA	$1,102,000	$1,102,000	3,367	$327.29
Fremont								
VILLA SAVONA	10/29/05 & 1/01/06	26/26	6,010	Two-Story	$1,490,000-$1,682,535		3,545-3,889	$420.31-$439.29
Summerhill Homes								
The Merlot		9		4 BR/4 + 1/2 BA	$1,490,000	$1,490,000	3,545	$420.31
The Zinfandel		9		4 BR/3 + 1/2 BA	$1,638,974	$1,638,974	3,731	$439.29
The Chardonnay		8		4 BR + Den/3 + 1/2 BA	$1,682,535	$1,682,535	3,889	$432.64
Totals/Averages		**160**			**$1,063,297**		**2,848**	**$373.70**

Sources: Meyers Group; BAE, 2006.

Appendix C Table 3: Large Lots

PROJECT NAME
Builder

Floorplan	Sales Dates	Total Units/Units Sold	Minimum Lot Size	Unit Type	Minimum Price Range	Finished Sq. Ft. Range	Price Per Sq. Ft. Range
Hayward							
GARIN CREST		19/12	12,800	Ranch & Two-Story	$1,759,455-$1,995,950	4,113-4,385	$422.11-$466.56
Discovery Homes							
Residence 3 (Two-Story)		2		4 BR/4.5 BA	$1,759,455	4,113	$427.78
Residence 2 (Two-Story)		5		5 BR/4.5 BA	$1,995,950	4,278	$466.56
Residence 1 (Ranch)		5		4 BR/4.5 BA	$1,850,950	4,385	$422.11
Pleasanton							
BORDEAUX COUNTRY ESTATES	3/19/2005	17/11	10,000	Ranch & Two-Story	$1,799,955-$2,199,950	3,871-4,984	$434.67-$490.82
Greenbriar Homes							
D'Arbieu (Ranch)		2		5 BR/4 BA	$1,899,950	3,871	$490.82
LaTour (Two-Story)		3		4 BR/4 BA	$1,799,955	4,141	$434.67
Margeaux (Two-Story)		3		5 BR/4.5 BA	$1,844,955	4,183	$441.06
D'Arbieu X (Ranch)		0		6 BR/5 BA	$2,049,950	4,480	$457.58
Haut Brion (Two-Story)		3		6 BR/5.5 BA	$2,199,950	4,984	$441.40
PHEASANT RIDGE		119/106	12,000	Ranch & Two-Story	$1,799,950-$1,809,950	3,992-5,330	$339.58-$450.89
Greenbriar Homes							
Arroyo Canyon (Ranch)		30		5 BR/4 BA	$1,799,950	3,992	$450.89
Wildwood Heights (Two-Story)		28		5 BR/4.5 BA	$1,799,950	4,791	$375.69
Augustin Knoll (Two-Story)		22		6 BR/6 BA	$1,799,950	5,095	$353.28
Pheasant Ridge (Two-Story)		26		5 BR/5/5 BA	$1,809,950	5,330	$339.58
SYCAMORE HEIGHTS		48/47	8,000	Ranch & Two-Story	$1,799,000-$2,130,000	3,201-4,959	$410.66-$562.01
Summerhill Homes							
Waterford (Ranch)		7		4 BR/2.5 BA	$1,799,000	3,201	$562.01
Saint Moritz (Two-Story)		14		5 BR/4.5 BA	$1,795,000	3,934	$456.28
Sorrento (Two-Story)		13		5 BR/5.5 BA	$1,765,000	4,298	$410.66
Castellano (Two-Story)		13		4 BR/5.5 BA	$2,130,000	4,959	$429.52
San Jose							
CARRERA COURT	9/1/2005	12/7	6,500	Two-Story	$1,665,000-$1,840,000	4,063-4,830	$380.95-$421.31
Citation Homes							
Alpine		3		5 BR/4 BA	$1,665,000	4,063	$409.80
Bavarian		1		5 BR/4.5 BA	$1,815,000	4,308	$421.31
Dresden		2		6 + Den/4.5 BA	$1,829,000	4,620	$395.89
Saxony		1		6 BR/4.5 BA	$1,840,000	4,830	$380.95

Appendix C Table 3: Large Lots

PROJECT NAME
Builder

Floorplan	Sales Dates	Total Units/Units Sold	Minimum Lot Size	Unit Type	Minimum Price Range	Finished Sq. Ft. Range	Price Per Sq. Ft. Range
San Jose (Continued)							
HACIENDA		37/37	12,458	Two-Story	$2,223,000-$1,820,000	4,493-5,859	$379.42-$421.77
William Lyon Homes							
Estate 3		13		6 BR + Den/4.5 BA	$1,895,000	4,493	$421.77
Estate 2		11		5 BR + Den/4.5 BA	$1,820,000	4,500	$404.44
Estate 4		13		6 BR + Den/5.5 BA	$2,223,000	5,859	$379.42
Morgan Hill							
ALICANTE	4/9/05 & 6/20/06	105/36	12,846	Ranch	$1,665,000-$1,520,000	3,349-4,858	$342.73-$429.38
Dividend Homes							
Plan 3		12		4 + Den/3.5 BA	$1,438,000	3,349	$429.38
Plan 4		7		4 + Den/3.5 BA	$1,500,000	3,870	$387.60
Plan 5		10		4 + Den/3.5 BA	$1,520,000	4,059	$374.48
Plan 6		7		4 + Den/3.5 BA	$1,665,000	4,858	$342.73
TUSCANY	11/1/2005	15/2	13,000	Ranch & Two-Story	$1,400,000-$1,800,000	3,565-5,028	$358-$392.71
Pan-Cal							
Arezzo (Ranch)		0		4 BR/3 BA	$1,400,000	3,565	$392.71
Burano (Two-Story)		0		4 BR + Den/3 BA	$1,578,000	4,208	$375.00
Carrara (Two-Story)		1		4 BR + Den/3 BA	$1,645,000	4,567	$360.19
Villa Farnese (Two-Story)		1		5 BR + Den/4 BA	$1,800,000	5,028	$358.00
Totals/Averages		**258**			**$1,811,700**	**4,526**	**$405.19**

Sources: Meyers Group; BAE, 2006.

Appendix C Table 4: Fremont, Newark, Union City Retail Property Sales

Address	City	Sale Date	Year Built	Bldg. Sq. Ft.	Sale Price	$/Sq. Ft.	Cap Rate
3795-5789 Mowry Avenue Circuit City Plaza	Newark	Nov-05	1968	144,903	$22,000,000	$152	NA
5950-6016 Stevenson Boulevard	Fremont	Sep-05	19,601,987	386,412	$30,000,000	$78	NA
44615-46651 Mission Boulevard Warm Springs Plaza	Fremont	Mar-05	1985	121,514	$40,468,575	$333	6.23%
40910-40932 Fremont Boulevard	Fremont	Jan-05	1956, 1992	34,011	$5,510,000	$162	8.53%
Median						**$157**	**7.38%**
Average						**$181**	**7.38%**

Source: Costar ecomps; BAE, 2006.

Appendix C Table 5: Fremont, Newark, Union City Commercial Property Sales

Address	City	Sale Date	Year Built	Bldg. Sq. Ft.	Sale Price	$/Sq. Ft.	Cap Rate
39800 Eureka Drive Stevenson Point Technology Park	Newark	Feb-06	2001	106,690	$47,500,000	$445	NA
33258 Central Avenue Central Business Park	Union City	Sep-05	2004	24,053	$3,007,000	$125	NA
3400-3550 Warren Avenue Bayside Technology Park	Fremont	Sep-05	1985-2004	1,023,709	$128,000,000	$125	NA
6500 Kaiser Drive Ardenwood Commons	Fremont	Aug-05	1991	87,953	$9,500,000	$108	NA
200 Brown Road Warm Springs Professional Center	Fremont	Aug-05	1985	77,536	$4,250,000	$55	NA
39355 California Street Centre Point Plaza	Fremont	Jun-05	1983	55,722	$9,700,000	$174	NA
6300 Dumbarton Circle	Fremont	May-05	1990	44,000	$8,959,000	$204	NA
47723-47853 Warm Springs Boulevard	Fremont	May-05	1982-1985	167,371	$15,100,000	$90	NA
Median Sales Price per Sq. Ft.						**$125**	
Average Sales Price per Sq. Ft.						**$166**	

Source: Costar ecomps; BAE, 2006.

ATTACHMENT B

Traffic Analysis
DKS Associates

DKS *Associates*
TRANSPORTATION SOLUTIONS

MEMORANDUM

TO:	Joshua Channell, Impact Sciences	
FROM:	Mark Spencer, DKS Associates	
DATE:	June 23, 2006	
SUBJECT:	Fremont Patterson Ranch Ballot Initiative Final Traffic Study- Executive Summary	P 06125-000

The City of Fremont has been served with a Notice of Intent to Circulate Petition for the purposes of placing on the November 7, 2006, General Election ballot an initiative, named the "Protect Coyote Hills Natural Area Initiative" (Initiative). The stated intent of the Initiative is to protect and preserve an approximately 520-acre portion of the City's Northern Plain Planning Area. If adopted, the Initiative would limit development in this portion of Fremont to agriculture, outdoor recreation and very low density residential uses. Per State of California Elections Code Section 9212, the City has prepared this evaluation of the impacts the Initiative may have on the City.

This memo provides a preliminary assessment of the traffic analysis conducted for the proposed Patterson Ranch Ballot Initiative. It includes the following four sections:

1. Existing Conditions
2. Analysis Methodology
3. Impacts of Development Scenarios
4. Summary

I. Existing Conditions

The Initiative Area is located in the incorporated area of the City of Fremont within the Northern Plain Planning Area. The area covered by the Initiative is defined in Section 5 of the Initiative as the area "bounded on the north by the Alameda Creek Flood Control Channel, on the east and southeast by the Southern Pacific [Union Pacific] Railroad and Paseo Padre Parkway, on the south by State Route 84 and on the west by the Dumbarton Associates Quarry and the Coyote Hills Regional Park.

The key regional and local access routes include:

Interstate-880 connects Fremont to much of the rest of the East Bay, extending from Oakland to San Jose. In the vicinity of its interchange with State Route-84/Decoto Road it has four lanes in each direction and a high occupancy vehicle (HOV) lane. I-880 carries about 210,000 vehicles per day in this area, including about 13,500 vehicles each peak hour for both directions (Caltrans, 2005 Monitoring Report). Although previously reported to be LOS F by the Alameda County Congestion Management Agency, in 2004 the segment of I-880 northbound from Decoto Road to Alvarado Niles Boulevard

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improved form LOS F to LOS D (Alameda County Congestion Management Agency, 2004 LOS Monitoring Study).

State Route-84 extends from the Livermore Valley through Niles Canyon, connecting to Decoto Road and the Dumbarton Bridge and into Menlo Park. In the vicinity of the project area SR-84 has at least three travel lanes in each direction, and a high occupancy vehicle lane in the westbound direction as it approaches the Dumbarton Bridge Toll Plaza. SR-84 carries about 84,000 vehicles per day between the Dumbarton Bridge and Newark Boulevard, including about 6,000 in a peak hour in both directions (Caltrans, 2005 Monitoring Report). Although previously reported to be LOS F by the Alameda County Congestion Management Agency, in 2004 the segment of SR-84 westbound from Peralta Boulevard to Thornton Avenue improved form LOS F to LOS E. The SR-84 segment eastbound from Thornton Avenue to I-880, however, was rated as LOS F for the first time.(Alameda County Congestion Management Agency, 2004 LOS Monitoring Study).

Paseo Padre Parkway traverses throughout Fremont, from Mission Boulevard in the south to Thornton Avenue in the north in the project area. It has two travel lanes in each direction, with additional turn lanes provided at key intersections. Paseo Padre Parkway carries between 11,000 and 12,00 vehicles per day in the vicinity of Ardenwood Boulevard.

Ardenwood Boulevard connects Jarvis Road in Newark to Union City Boulevard in Union City. It carries about 29,400 vehicles per day south of Paseo Padre Parkway, and about 19,800 vehicles per day north of Paseo Padre Parkway. It generally has two lanes in each direction, with additional turn lanes provided at key intersections.

Roadway Segments

Within the study area there are also several roadway segments that provide access within the Northern Plain planning area as well as between the area and points outside the area either locally or regionally. Table 1 provides a list of roadway segments that are being analyzed as part of this study.

Table 1
Roadway Segments

Roadway	Segment Studied
State Route 84	I-880 to Dumbarton Bridge Toll Plaza
Paseo Padre Pkwy	SR-84 to Fremont Blvd
Ardenwood Blvd	Jarvis Ave to Union City Blvd
Union City Blvd	from Ardenwood Blvd to Dyer St
Decoto Rd	Paseo Padre Pkwy to I-880
Interstate -880	Alvarado Niles Blvd to Thornton Ave.

The above list of roadway segments was chosen in cooperation with City staff as they represent the roadway segments most likely to be impacted by the one of the analyzed development scenarios. This report analyzes the weekday AM and PM peak-hour existing baseline conditions along these roadway segments as well as the cumulative condition under each of the development scenarios.

II. Analysis Methodology

The analysis methodology followed standard traffic analysis procedures. The steps are outlined below:

1. **Prepare vehicle trip generation estimates for the project site for four study scenarios.** This task provided a comparison of the total number of daily and weekday peak hour vehicle trips that would be generated by each of the development scenarios.

    a. Existing Zoning/General Plan
    b. Initiative - Residential
    c. Patterson Ranch Proposal at 800 residential units
    d. Patterson Ranch Analysis at 1,200 residential units

2. **Run City of Fremont Travel Forecast Model for each of the four scenarios for each cumulative future year condition.** For areas outside of the study area, the model used forecasts consistent with the Alameda County CMA forecasts for 2025. For the study area, the model used a trip generation estimate that included the number of residents, jobs and employees in the area. Then, the model was used to generate a forecast of changes in roadway link volumes, vehicle miles traveled, and vehicles speeds.

3. **Calculate Metropolitan Transportation System (MTS) roadway service levels for each study scenario and Vehicles Miles Traveled (VMT) for each study scenario**. Based on travel forecast model output, these measures were used to evaluate the potential impacts of each development scenario relative to one another.

4. **Prepare comparison tables of the potential traffic impacts under each study scenario.** The analysis of trip generation, roadway levels of service, and vehicle miles of travel were placed into summary tables.

5. **Determine need for additional roadway or other transportation mitigation measures.** Where appropriate, the analysis concluded with a qualitative discussion of what the improvements measures may be appropriate given the various performance levels.

III. Impacts of Development Scenarios

Using forecast data generated by the City of Fremont Travel Forecast Model, an analysis of Baseline and 2025 Cumulative Conditions under each development scenario was conducted. The results of this analysis are presented below.

Trip Generation. The vehicle trip generation estimate for each development scenario is provided in Table 3 (in Section 4 of this summary report). The estimated number of trips is in proportion to the development intensity proposed under each scenario. The Initiative Scenario - Residential was chosen (compared to a less intensive Initiative

option) since it includes more residential units and would generate some measure of vehicle activity. Compared to the existing General Plan, Initiative - Residential would generate about 6,700 less trips per day, and about 680 less AM peak hour trips and about 885 less PM peak hour trips. The 1,200-unit Patterson Ranch proposal would generate about twice the number of peak-hour trips compared to the existing General Plan, and the 800-unit Patterson Ranch plan would generate proportionately less than the 1,200-unit plan.

It is worth noting that the proposed industrial development is only included under the General Plan and 800 and 1,200-unit plans, but not the Initiative Scenario. In addition to the residential components, the industrial land use is also a contributing factor when estimating the number of daily and peak-hour vehicles that would be generated.

Roadway Segment Level of Service. Roadway segment level of service was estimated for the Existing Conditions as well as each development scenario, using the standard methodology prescribed by the City of Fremont and the Alameda County Congestion Management Agency. Level of service results are a function of projected vehicle speeds and volumes as well as roadway type. A comparison of roadway service levels is a good indicator of potential impacts and the need for transportation improvement measures.

Table 4 in Section 4 of this summary report provides a comparison of roadway segment service levels for each segment under each development scenario. The Fremont Travel Forecast Model reports 2005 Baseline service levels that are similar but not always exactly the same as monitoring reports published by Caltrans and the Alameda County Congestion Management Agency. This is often a function of when traffic counts were taken to conduct the analysis (the year and month can lead to a variation). Overall, the City of Fremont Travel Forecast Model is consistent with these other published sources, however.

The primary factor affecting projected roadway volumes in 2025 is not which development scenario is being analyzed, but rather the overall growth of traffic and how it is distributed across the entire roadway network. Each development scenario would result in differing impacts, and some would result in deficient levels of service on area roadways.

Between 2005 and 2025, the roadway segments that are predicted to experience deficiencies in service levels are summarized in Table 2.

Table 2
Roadway Segment Analysis - -Projected LOS Deficiencies

Roadway and Direction	Segment	Deficient Time Period
SR-84 EB	Ardenwood Blvd to I-880	PM Peak Hour
Ardenwood Blvd SB	Lowry Rd to Paseo Padre Pkwy	AM Peak Hour
Ardenwood Blvd NB	Lowry Rd to Paseo Padre Pkwy	PM Peak Hour
Ardenwood Blvd SB*	Paseo Padre Pkwy to SR-84	AM Peak Hour
Ardenwood Blvd NB*	Paseo Padre Pkwy to SR-84	PM Peak Hour
Ardenwood Blvd SB	I-880 to Jarvis Ave	AM Peak Hour
Ardenwood Blvd NB	I-880 to Jarvis Ave	PM Peak Hour
Union City Blvd SB*	Dyer St to Lowry Rd	AM Peak Hour
I-880 SB	Alvarado Niles to Fremont Blvd	AM and PM Peak Hrs
I-880 SB	Fremont Blvd to SR-84	AM and PM Peak Hrs
I-880 NB	Fremont Blvd to SR-84	PM Peak Hour
I-880 SB	SR-84 to Thornton Ave	AM and PM Peak Hrs
I-880 NB	SR-84 to Thornton Ave	PM Peak Hour

Of the segments listed above, the ones marked with an * are projected to be measurably worse under the General Plan or the 800 or 1,200-unit Patterson Ranch scenarios, compared to the Initiative Scenario B.

Vehicle Miles Traveled. One of the common measures of effectiveness in cumulative transportation analysis is vehicle miles traveled. It is a function of the proposed land use scenarios and their respective trip generation, as well as the roadway network configuration, job center locations, and surrounding land uses. In order to compare the land use scenarios for this report, all other factors were held constant. Table 5 (in Section 4 of this summary report) provides a comparison of total vehicle miles traveled in the area for each scenario. In general, the number of vehicle miles travels in northwest Fremont is projected to increase by over 50-percent over 20 years (from 2005 to 2025) in both the AM and PM peak hours, due to overall growth in both the local and regional areas. There would be slight increases also associated with each of the development scenarios, when compared to one another.

Summary. Overall, the Initiative Scenario B would generate less vehicle trips, result in less vehicle miles traveled, and impact less roadway segments then the other development scenarios. Regardless of any of the analyzed development scenarios, roadway segments would be impacted by cumulative growth, and overall traffic congestion would increase in the area. There will be a need for transportation improvements associated with the ambient growth of traffic in the area. Localized impacts associated with each development scenario would also need to be addressed.

IV. Summary Tables

This section includes analysis summary tables that were referenced in the preceding text. The tables include

- Table 3. Vehicle Trip Generation Summary
- Table 4. Roadway Segment Level of Service Analysis
- Table 5. Vehicle Miles Traveled Summary

Table 3. Trip Generation Summary

General Plan - Existing Zoning

LAND USE	GSF/Units	Daily			AM Peak Hour			PM Peak Hour		
		Trips	In	Out	Trips	In	Out	Trips	In	Out
Residential										
Single-Family Detached	266	2,558	1,279	1,279	196	49	147	259	163	96
Townhomes and Stacked Flats	0									
Loft (Condomenium)	0									
Residential Sub Total	**266**	**2,558**	**1,279**	**1,279**	**196**	**49**	**147**	**259**	**163**	**96**
Commercial	0									
Church	0									
Industrial	900,000	5,212	2,606	2,606	560	459	101	735	154	581
Total		**7,770**	**3,885**	**3,885**	**756**	**508**	**248**	**994**	**317**	**677**

Patterson Ranch Proposal (800 Units)

LAND USE	GSF/Units	Daily			AM Peak Hour			PM Peak Hour		
		Trips	In	Out	Trips	In	Out	Trips	In	Out
Residential										
Single-Family Detached	557	5,048	2,524	2,524	399	100	299	503	317	186
Townhomes and Stacked Flats	223	1,269	635	634	98	17	81	116	78	38
Loft (Condomenium)	20	163	82	81	14	2	12	16	11	5
Residential Sub Total	**800**	**6,480**	**3,241**	**3,239**	**511**	**119**	**392**	**635**	**406**	**229**
Commercial	40,000	3,238	1,619	1,619	79	48	31	295	142	153
Church	20,000	182	91	91	14	8	6	13	7	6
Industrial	900,000	5,212	2,606	2,606	560	459	101	735	154	581
Total		**15,112**	**7,557**	**7,555**	**1,164**	**634**	**530**	**1,678**	**709**	**969**

Patterson Ranch at 1200 Units

LAND USE	GSF/Units	Daily			AM Peak Hour			PM Peak Hour		
		Trips	In	Out	Trips	In	Out	Trips	In	Out
Residential										
Single-Family Detached	836	7,330	3,665	3,665	594	149	445	724	456	268
Townhomes and Stacked Flats	335	1,791	896	895	136	23	113	162	109	53
Loft (Condomenium)	30	231	116	115	20	3	17	22	15	7
Residential Sub Total	**1,200**	**9,352**	**4,677**	**4,675**	**750**	**175**	**575**	**908**	**580**	**328**
Commercial	40,000	3,238	1,619	1,619	79	48	31	295	142	153
Church	20,000	182	91	91	14	8	6	13	7	6
Industrial	900,000	5,212	2,606	2,606	560	459	101	735	154	581
Total		**17,984**	**8,993**	**8,991**	**1,403**	**690**	**713**	**1,951**	**883**	**1,068**

Initiative -- Residential

LAND USE	GSF/Units	Daily			AM Peak Hour			PM Peak Hour		
		Trips	In	Out	Trips	In	Out	Trips	In	Out
Residential										
Single-Family Detached	100	1,040	520	520	79	20	59	107	67	40
Residential Sub Total	**100**	**1,040**	**520**	**520**	**79**	**20**	**59**	**107**	**67**	**40**
Commercial	0									
Church	0									
Industrial	0									
Total		**1,040**	**520**	**520**	**79**	**20**	**59**	**107**	**67**	**40**

Table 4. Roadway Segment Analysis

#	Segments	From	To	Number of Lanes	Peak Period	Free Flow Speed (mph)	Roadway Type	2025 Patterson Ranch at 1200 Units			2025 Patterson Ranch Proposal (800 Units)			2025 General Plan			2025 Initiative - Residential Scenario			2005 Baseline		
								Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]
1	State Route 84 (WB)	Toll Plaza	Paseo Padre Pkwy	3	A.M.	55	Freeway	3070	50	C	3090	50	C	3090	50	C	3060	50	C	2100	50	C
				3	P.M.	55	Freeway	2920	50	C	2890	50	C	2890	50	C	2910	50	C	1960	50	C
	State Route 84 (EB)			3	A.M.	55	Freeway	420	55	C	420	55	C	420	55	C	420	55	C	370	55	C
				3	P.M.	55	Freeway	3790	53	C	3790	53	C	3790	53	C	3830	53	C	2370	55	C
2	State Route 84 (WB)	Paseo Padre Pkwy	Ardenwood Blvd	3	A.M.	55	Freeway	3110	55	C	3030	55	C	3020	55	C	3080	55	C	2330	55	C
				3	P.M.	55	Freeway	2560	55	C	2610	55	C	2590	55	C	2570	55	C	2050	55	C
	State Route 84 (EB)			3	A.M.	55	Freeway	1010	55	C	1030	55	C	880	55	C	920	55	C	490	55	C
				3	P.M.	55	Freeway	4110	52	C	4120	52	C	4140	52	C	3980	53	C	3130	55	C
3	State Route 84 (WB)	Ardenwood Blvd	I-880	3	A.M.	55	Freeway	4960	42	D	4840	43	D	4930	42	D	4800	43	D	3960	48	D
				3	P.M.	55	Freeway	3790	49	D	3890	48	D	3800	49	D	3720	49	D	3340	49	C
	State Route 84 (EB)			3	A.M.	55	Freeway	1750	50	C	1750	50	C	1630	50	C	1640	50	C	1840	50	C
				3	P.M.	55	Freeway	5490	36	E	5480	36	E	5500	36	E	5430	37	E	4580	45	D
4	Paseo Padre Pkwy (WB)	State Route 84	Ardenwood Blvd	2	A.M.	45	Urban I	2810	25	C	2870	24	C	2740	26	C	2580	28	B	330	40	A
				2	P.M.	45	Urban I	1960	35	A	1780	37	A	1800	36	A	1540	38	A	910	40	A
	Paseo Padre Pkwy (EB)			2	A.M.	45	Urban I	810	40	A	750	40	A	770	40	A	630	40	A	440	40	A
				2	P.M.	45	Urban I	2180	33	B	2140	33	B	2050	34	B	2010	35	B	360	40	A
5	Paseo Padre Pkwy (WB)	Ardenwood Blvd	Deep Creek	2	A.M.	45	Urban I	3140	21	D	3260	19	D	3140	21	D	3110	21	D	1910	36	A
				2	P.M.	45	Urban I	1780	37	A	1550	38	A	1550	38	A	1570	38	A	1060	40	A
	Paseo Padre Pkwy (EB)			2	A.M.	45	Urban I	1120	39	A	1010	40	A	1050	40	A	960	40	A	600	40	A
				2	P.M.	45	Urban I	2690	27	C	2660	27	C	2650	27	C	2620	28	C	1730	37	A
6	Paseo Padre Pkwy (WB)	Deep Creek	I-880	2	A.M.	45	Urban I	1090	29	B	1100	29	B	1270	28	B	1110	29	B	690	30	B
				2	P.M.	45	Urban I	2290	18	D	2200	20	D	2140	20	D	2190	20	D	1570	26	C
	Paseo Padre Pkwy (EB)			2	A.M.	45	Urban I	1920	23	C	1810	24	C	1910	23	C	1800	24	C	1340	28	C
				2	P.M.	45	Urban I	1720	25	C	1680	25	C	1640	26	C	1670	25	C	940	29	B
7	Paseo Padre Pkwy (WB)	I-880	Fremont Blvd	2	A.M.	45	Urban I	1020	29	B	1020	29	B	1200	29	B	1050	29	B	610	30	B
				2	P.M.	45	Urban I	2250	19	D	2160	20	D	2100	21	D	2150	20	D	1540	27	C
	Paseo Padre Pkwy (EB)			2	A.M.	45	Urban I	1890	23	C	1790	24	C	1890	23	C	1780	24	C	1310	28	B
				2	P.M.	45	Urban I	1650	26	C	1610	26	C	1570	26	C	1600	26	C	870	30	B
8	Ardenwood Blvd (SB)	Lowry Rd	Paseo Padre Pkwy	2	A.M.	35	Urban II	3930	5	F	3880	5	F	4070	4	F	3840	5	F	1340	28	B
				2	P.M.	35	Urban II	2320	18	C	2320	18	C	2300	18	C	2290	18	C	800	30	B
	Ardenwood Blvd (NB)			2	A.M.	35	Urban II	1040	29	B	1030	29	B	1020	29	B	1010	29	B	360	30	B
				2	P.M.	35	Urban II	3250	8	F	3170	9	F	3130	9	F	3200	9	F	1350	28	B
9	Ardenwood Blvd (SB)	Paseo Padre Pkwy	State Route 84	2	A.M.	35	Urban II	3230	9	F	3160	9	F	3050	10	E	2950	11	E	2100	21	C
				2	P.M.	35	Urban II	2120	21	C	2120	21	C	2080	21	C	2080	21	C	1310	28	B
	Ardenwood Blvd (NB)			2	A.M.	35	Urban II	1100	29	B	1090	29	B	1070	29	B	1070	29	B	660	30	B
				2	P.M.	35	Urban II	2870	12	E	2760	13	E	2640	14	D	2610	15	D	2050	21	C
10	Ardenwood Blvd (SB)	State Route 84	Jarvis Ave	2	A.M.	35	Urban II	3460	7	F	3390	7	F	3360	8	F	3240	9	F	1910	23	C
				2	P.M.	35	Urban II	2540	15	D	2540	15	D	2540	15	D	2490	16	D	1550	26	B
	Ardenwood Blvd (NB)			2	A.M.	35	Urban II	1530	27	B	1520	27	B	1500	27	B	1460	27	B	1090	29	B
				2	P.M.	35	Urban II	3460	7	F	3290	8	F	3250	8	F	3340	8	F	2410	17	D
11	Union City Blvd (SB)	Dyer St	Lowry Rd	2	A.M.	35	Urban II	3800	14	E	3760	14	E	3920	12	E	3710	14	D	1300	39	A
				2	P.M.	35	Urban II	2300	32	A	2300	32	A	2270	32	A	2270	32	A	800	40	A
	Union City Blvd (NB)			2	A.M.	35	Urban II	1040	40	A	1020	40	A	1010	40	A	1000	40	A	350	40	A
				2	P.M.	35	Urban II	3140	21	C	3060	22	C	3030	22	C	3090	22	C	1300	39	A
12	Decoto Rd (WB)	I-880	Fremont Blvd	3	A.M.	30	Urban III	3860	12	D	3830	13	D	3750	13	C	3990	12	D	2370	22	B
				3	P.M.	30	Urban III	2530	21	B	2490	21	B	2520	21	B	2540	21	B	1550	24	B
	Decoto Rd (EB) [c]			3	A.M.	30	Urban III	1570	24	B	1570	24	B	1580	24	B	1590	24	B	950	25	B
				3	P.M.	30	Urban III	3770	13	C	3800	13	D	3810	13	D	3770	13	C	2480	13	C
13	Decoto Rd (WB) [d]	Fremont Blvd	Paseo Padre Pkwy	3	A.M.	30	Urban III	2260	27	A	2190	27	A	2090	28	A	2210	27	A	1240	28	A
				3	P.M.	30	Urban III	1620	29	A	1630	29	A	1600	29	A	1590	29	A	1000	29	A
	Decoto Rd (EB)			3	A.M.	30	Urban III	800	30	A	810	30	A	830	30	A	840	30	A	680	30	A
				3	P.M.	30	Urban III	2020	28	A	1990	28	A	1900	28	A	1900	28	A	1420	29	A

Table 4. Roadway Segment Analysis

#	Segments	From	To	Number of Lanes	Peak Period	Free Flow Speed (mph)	Roadway Type	2025 Patterson Ranch at 1200 Units			2025 Patterson Ranch Proposal (800 Units)			2025 General Plan			2025 Initiative - Residential Scenario			2005 Baseline		
								Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]	Link Volume	Speed[a]	LOS[b]
14	I-880 (SB)	Alvarado Niles Blvd	Fremont Blvd	3	A.M.	65	Freeway	7390	12	F	7370	12	F	7370	12	F	7480	12	F	4140	47	D
				3	P.M.	65	Freeway	6360	24	F	6320	25	F	6330	25	F	6350	24	F	5090	41	E
	I-880 (NB)			3	A.M.	65	Freeway	2110	50	C	2110	50	C	2110	50	C	2110	50	C	1610	50	C
				3	P.M.	65	Freeway	6660	20	F	6610	21	F	6620	21	F	6670	20	F	4170	47	D
15	I-880 (SB)	Fremont Blvd	State Route 84	3	A.M.	65	Freeway	7560	11	F	7510	11	F	7532	11	F	7740	10	F	5290	39	E
				3	P.M.	65	Freeway	6540	22	F	6640	20	F	6620	21	F	6610	21	F	5440	37	E
	I-880 (NB)			4	A.M.	65	Freeway	3190	50	C	3200	50	C	3210	50	C	3200	50	C	1940	50	C
				4	P.M.	65	Freeway	7820	31	E	7840	31	E	7950	30	F	7910	30	E	6090	45	D
16	I-880 (SB)	State Route 84	Thornton Ave	3	A.M.	65	Freeway	7160	14	F	7190	14	F	6860	18	F	7370	12	F	5230	39	E
				3	P.M.	65	Freeway	6380	24	F	6370	24	F	6390	24	F	6380	24	F	5150	40	E
	I-880 (NB)			4	A.M.	65	Freeway	4060	50	C	4050	50	C	4030	50	C	4000	50	C	2440	50	C
				4	P.M.	65	Freeway	7340	36	E	7460	35	E	7490	34	E	7360	36	E	5680	47	D

a. Speed is calculated from City of Fremont Travel Forecast Model, in miles per hour.

b. LOS = Level of Service. Speed/Level of Service relationships from Alameda County Congestion Management Program, as per Highway Capacity Manual.

c. For 2005 baseline scenario, calculated speed of eastbound traffic on Decoto Road between I-880 and Fremont Blvd is based on existing two lanes.

d. For 2005 baseline scenario, calculated speed of westbound traffic on Decoto Road between I-880 and Fremont Blvd is based on existing two lanes.

Table 5. Vehicle Miles Traveled Summary

Scenario	Vehicle Miles Traveled	
	AM Peak	PM Peak
2005 Baseline	44,541	60,376
2025 Initiative - Residential	72,644	89,412
2025 General Plan	73,320	90,192
2025 Patterson Ranch Proposal (800 Units)	73,229	90,698
2025 Patterson Ranch at 1200 Units	74,738	91,666

Source: Fremont Travel Forecast Model, Northwest Fremont Area